

OFFERING CIRCULAR



PLACES FOR PEOPLE CAPITAL MARKETS PLC

(incorporated in England as a public limited company under the Companies Act 2006 with registered number 7623063)

and

PLACES FOR PEOPLE HOMES LIMITED

(incorporated in England as a registered society with limited liability under the Co-operative and Community Benefit Societies Act 2014 with registration number 19447R and registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008 (as amended), with number L0659)

and

PLACES FOR PEOPLE TREASURY PLC

(incorporated in England as a public limited company under the Companies Act 2006 with registered number 9272235)

£2,000,000,000

Euro Medium Term Note Programme

Under this £2,000,000,000 Euro Medium Term Note Programme (the **Programme**), Places for People Capital Markets plc, Places for People Homes Limited and Places for People Treasury plc (the **Issuers** and each an **Issuer** and references to the **relevant Issuer** being to the Issuer of the relevant Notes) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below).

The payment of all amounts due in respect of Notes issued by Places for People Capital Markets plc and Places for People Treasury plc will be jointly and severally guaranteed by Places for People Homes Limited, Places for People Living+ Limited, Cotman Housing Association Limited and Derwent Housing Association Limited (each a **Guarantor** and, together, the **Capital Markets/Treasury Guarantors**). The payment of all amounts due in respect of Notes issued by Places for People Homes Limited will be jointly and severally guaranteed by Places for People Living+ Limited, Cotman Housing Association Limited and Derwent Housing Association Limited (each a **Guarantor** and, together, the **Homes Guarantors**). References herein to the **Obligors** shall be to the Issuers, the Capital Markets/Treasury Guarantors and the Homes Guarantors (together, the **Guarantors**) (and each an **Obligor**).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed £2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified below and any additional Dealer appointed under the Programme from time to time by the relevant Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "Risk Factors".

Application has been made to the Financial Conduct Authority in its capacity as competent authority (the **FCA**) for Notes issued under the Programme during the period of 12 months from the date of this Offering Circular to be admitted to the official list of the FCA (the **Official List**) and to the London Stock Exchange plc (the **London Stock**

Exchange) for such Notes to be admitted to trading on the London Stock Exchange's regulated market. References in this Offering Circular to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the London Stock Exchange's regulated market and have been admitted to the Official List. The London Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended) (**MiFID II**).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in a final terms (the **Final Terms**) which will be delivered to the FCA and the London Stock Exchange. Copies of Final Terms in relation to Notes will also be published on the website of the London Stock Exchange through a regulatory information service.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or any U.S. State securities laws and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

Each Issuer has been rated Baa1 by Moody's Investors Service Limited (**Moody's**) and Places for People Treasury plc has been rated A- by S&P Global Ratings Europe Limited (**S&P**). In addition, the Group Parent (as defined herein) has been rated A by Fitch Ratings Limited (**Fitch**). Each of Moody's, S&P and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such, each of Moody's, S&P and Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Notes issued under the Programme may be rated by Moody's and/or S&P and/or Fitch or may be unrated. Where a Tranche of Notes is rated, such rating or ratings will be disclosed in the Final Terms and will not necessarily be the same as the rating or ratings assigned to the relevant Issuer. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Amounts payable on Floating Rate Notes will be calculated by reference to one of LIBOR or EURIBOR as specified in the relevant Final Terms. As at the date of this Offering Circular, ICE Benchmark Administration Limited (as administrator of LIBOR) and the European Money Markets Institute (as administrator of EURIBOR) are both included in the European Securities and Markets Authority's (**ESMA**) register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the **Benchmarks Regulation**).

Arranger

Morgan Stanley

Dealers

Barclays

BofA Merrill Lynch

HSBC

Morgan Stanley

National Australia Bank Limited

Nomura

Santander

BNP PARIBAS

Goldman Sachs International

Lloyds Bank Corporate Markets

MUFG

NatWest Markets

RBC Capital Markets

SMBC Nikko

The date of this Offering Circular is 16 July 2019.

IMPORTANT INFORMATION

This Offering Circular comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive in relation to each Issuer. When used in this Offering Circular, **Prospectus Directive** means Directive 2003/71/EC (as amended or superseded), and includes any implementing measure in a relevant Member State of the European Economic Area (the **EEA**).

Each Obligor accepts responsibility for the information contained in this Offering Circular and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Obligors (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see "*Documents Incorporated by Reference*"). This Offering Circular shall be read and construed on the basis that those documents are incorporated in and form part of this Offering Circular.

Neither the Dealers (including any of their respective affiliates) nor the Trustee (as defined below) have independently verified the whole or any part of the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers (including any of their respective affiliates) or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Obligors in connection with the Programme. No Dealer (including any of its respective affiliates) or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Obligors in connection with the Programme.

No person is or has been authorised by the Obligors or the Trustee to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Obligors, any of the Dealers (including any of their respective affiliates) or the Trustee.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Obligors, any of the Dealers or the Trustee that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Obligors. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Obligors, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Obligors is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers (including their respective affiliates) and the Trustee expressly do not undertake to review the financial condition or affairs of the Obligors during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

IMPORTANT - EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been

prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II Product Governance / target market – The Final Terms in respect of any Notes may include a legend entitled "MiFID II product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE

The Final Terms in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the **SFA**).

The relevant Issuer will make a determination in relation to each issue of Notes under the Programme of the classification of the Notes being offered for the purposes of section 309B(1)(a) of the SFA. Any such legend included on the relevant Final Terms will constitute notice to "relevant persons" for the purposes of section 309(1)(c) of the SFA.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS OFFERING CIRCULAR AND OFFERS OF NOTES GENERALLY

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Obligors, the Dealers and the Trustee do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Obligors, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the EEA (including the United Kingdom), Japan, Australia, Singapore, Hong Kong and Belgium (see "*Subscription and Sale*").

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

Unless otherwise indicated, the financial information in this Offering Circular relating to each Obligor has been derived from the audited consolidated financial statements of such Obligor for the financial years ended 31 March 2018 and 31 March 2017.

Each Obligor's financial year ends on 31 March and references in this Offering Circular to any specific year in relation to such Obligor are to the 12-month period ended on 31 March of such year.

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Offering Circular will have the meaning attributed to them in "*Terms and Conditions of the Notes*" or any other section of this Offering Circular. In addition, the following terms as used in this Offering Circular have the meanings defined below:

- **U.S. dollars, U.S.\$ and \$** refer to United States Dollars;
- **Sterling and £** refer to pounds sterling; and
- **euro and €** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Certain figures and percentages included in this Offering Circular have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

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STABILISATION

In connection with the issue of any Tranche of Notes, one or more relevant Dealers (the "*Stabilisation Manager(s)*") (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules. Any loss resulting from over-allotment and stabilisation shall be borne, and any net profit arising therefrom shall be retained, as against the Issuer, by any Stabilisation Manager for its own account.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms.

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive (the **Prospectus Regulation**).

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this overview.

Issuers: Places for People Capital Markets plc
Places for People Homes Limited
Places for People Treasury plc

Issuer Legal Entity Identifiers (LEIs):

Places for People Capital Markets plc 213800YZJ9T9YA4ENG50
Places for People Homes Limited 2138006VZYSUOICR2M02
Places for People Treasury plc 213800B9U45TFBXW5K67

Guarantors (in the case of Notes issued by Places for People Capital Markets plc and Places for People Treasury plc): Places for People Homes Limited
Places for People Living+ Limited
Cotman Housing Association Limited
Derwent Housing Association Limited

Guarantors (in the case of Notes issued by Places for People Homes Limited): Places for People Living+ Limited
Cotman Housing Association Limited
Derwent Housing Association Limited

Risk Factors: There are certain factors that may affect the relevant Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under "*Risk Factors*" below and include risks related to the structure of a particular issue of Notes and risks related to Notes generally. There are also certain factors that may affect the Guarantors' ability to fulfil their obligations under the relevant Guarantees. These are set out under "*Risk Factors*" below and include risks related to the structure of a particular issue of Notes and risks related to the Notes generally. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are also set out under "*Risk Factors*" and include certain risks relating to the structure of particular Series of Notes and certain market risks.

Programme Size: Up to £2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Obligors may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Description: Euro Medium Term Note Programme

Arranger: Morgan Stanley & Co. International plc

Dealers: Banco Santander, S.A.
Barclays Bank PLC
BNP Paribas
Goldman Sachs International

HSBC Bank plc
Lloyds Bank Corporate Markets plc
Merrill Lynch International
Morgan Stanley & Co. International plc
MUFG Securities EMEA plc
National Australia Bank Limited (ABN 12 004 044 937)
NatWest Markets Plc
Nomura International plc
RBC Europe Limited
SMBC Nikko Capital Markets Limited
and any other Dealers appointed in accordance with the Programme Agreement.

Certain Restrictions: Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*") including the following restrictions applicable at the date of this Offering Circular.

Notes having a maturity of less than one year

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see "*Subscription and Sale*".

Issuing and Principal Paying Agent: The Bank of New York Mellon, London Branch

Trustee: Prudential Trustee Company Limited

Currencies: Subject to any applicable legal or regulatory restrictions, Notes may be denominated in Sterling or euro or any other currency agreed between the relevant Issuer and the relevant Dealer.

Maturities: The Notes will have such maturities as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer and/or the relevant Guarantors or the relevant Specified Currency.

Issue Price: Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Distribution: Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Form of Notes: The Notes will be issued in bearer form as described in "*Form of the Notes*".

Fixed Rate Notes: Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

Floating Rate Notes:

Floating Rate Notes will bear interest at a rate determined:

- (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or
- (b) on the basis of the reference rate set out in the applicable Final Terms.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate, or both.

Index Linked Notes:

The Programme provides for the issue of Notes in respect of which the amount of interest payable (**Index Linked Interest Notes**) and/or the amount to be repaid upon redemption of the Notes (**Index Linked Redemption Notes**) and, together with Index Linked Interest Notes, **Index Linked Notes**) may be calculated by reference to the United Kingdom Retail Prices Index. Where Notes are specified as being Index Linked Notes in the applicable Final Terms, the additional provisions set out in Condition 5 will apply.

Index Linked Notes may also have a maximum interest rate, a minimum interest rate or both.

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Redemption:

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than (i) for taxation reasons; (ii) following an Event of Default; or (iii) in the case of Index Linked Notes only, for Index Reasons) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the relevant Issuer and the relevant Dealer.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Certain Restrictions – Notes having a maturity of less than one year*" above.

Denomination of Notes:

The Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant

Specified Currency, see "*Certain Restrictions – Notes having a maturity of less than one year*" above, and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation:	All payments made by or on behalf of an Obligor in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by the United Kingdom unless such deduction is required by law as provided in Condition 8. In the event that any such deduction is made, the relevant Issuer or, as the case may be, the relevant Guarantors will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.
Negative Pledge:	The terms of the Notes will not contain a negative pledge provision.
Financial Covenant:	The terms of the Notes will contain a financial covenant as further described in Condition 4.
Cross Acceleration:	The terms of the Notes will contain a cross acceleration provision as further described in Condition 10.
Status of the Notes:	The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Issuer, from time to time outstanding.
Guarantees:	The Notes issued by Places for People Capital Markets plc and Places for People Treasury plc will be unconditionally and irrevocably guaranteed, on a joint and several basis, by the Capital Markets/Treasury Guarantors. The Notes issued by Places for People Homes Limited will be unconditionally and irrevocably guaranteed, on a joint and several basis, by the Homes Guarantors. The obligations of each Guarantor under the relevant Guarantee will be direct, unconditional and unsecured obligations of each relevant Guarantor and will rank <i>pari passu</i> and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Guarantor, from time to time outstanding.
Rating:	Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating or ratings will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating or ratings assigned to the relevant Issuer. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Listing:	Application has been made for Notes issued under the Programme to be listed on the London Stock Exchange. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the relevant Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law:

The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including the United Kingdom and Belgium), Japan, Australia, Singapore and Hong Kong and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "*Subscription and Sale*".

United States Selling Restrictions:

Reg. S compliance, Category 2. TEFRA C, TEFRA D, or TEFRA not applicable, as specified in the applicable Final Terms.

RISK FACTORS

In purchasing Notes, investors assume the risk that the relevant Issuer and any relevant Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Notes and/or the relevant Guarantee. There is a wide range of factors which individually or together could result in the relevant Issuer or any relevant Guarantor becoming unable to make all payments due in respect of the Notes and/or the relevant Guarantee. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuers and the Guarantors may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the Issuers' and the Guarantors' control. The Issuers and the Guarantors have identified in this Offering Circular a number of factors which could materially adversely affect their businesses and ability to make payments due in respect of the Notes and/or the relevant Guarantee.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuers and the Guarantors believe that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, but the inability of the relevant Issuer or any relevant Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuers and the Guarantors do not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

Factors that may affect Places for People Capital Markets plc's or Places for People Treasury plc's ability to fulfil their respective obligations under Notes issued by them under the Programme

Special Purpose Financial Entities

Places for People Capital Markets plc and Places for People Treasury plc (each a **Group Funding Issuer**) are each special purpose financial entities with no business operations other than the incurrence of financial indebtedness, including the issuance of Notes, and on-lending the proceeds thereof to or for the benefit of Places for People Homes Limited (where Places for People Capital Markets plc is the relevant Issuer) and any Guarantor (subject to certain limited exceptions) (where Places for People Treasury plc is the relevant Issuer). As such, each Group Funding Issuer is entirely dependent upon receipt of funds received from Places for People Homes Limited or the relevant Guarantor(s) in order to fulfil its respective obligations under the Notes.

Credit Risk

Each Group Funding Issuer, and therefore payments by such Group Funding Issuer to the Noteholders in respect of the Notes, will be subject to the credit risk of Places for People Homes Limited (where Places for People Capital Markets plc is the relevant Issuer) and the relevant Guarantor(s) that borrow from Places for People Treasury plc and therefore guarantee Places for People Treasury plc's debt (where Places for People Treasury plc is the relevant Issuer). Each Group Funding Issuer will be subject to the risk of delays in the receipt, or risk of defaults in the making, of payments due from Places for People Homes Limited (where Places for People Capital Markets plc is the relevant Issuer) and the relevant Guarantor(s) (where Places for People Treasury plc is the relevant Issuer) under the loan agreements entered into between such Group Funding Issuer and Places for People Homes Limited or the relevant Guarantor(s) (as applicable) in respect of the proceeds of the Notes. Delays in the receipt of payments due from Places for People Homes Limited or the relevant Guarantor(s) (as applicable) under its internal loan agreement(s) could adversely affect the ability of the relevant Group Funding Issuer to fulfil its payment obligations under the Notes.

However, the Capital Markets/Treasury Guarantors have jointly and severally guaranteed the obligations of each Group Funding Issuer under the Notes issued by it and it is envisaged that, in the event that a Group Funding Issuer is unable to make a payment under its Notes, such payment will be made by the Capital Markets/Treasury Guarantors pursuant to

the Capital Markets/Treasury Guarantee (as defined under "*Terms and Conditions of the Notes*"). For a discussion of the factors which may affect the Guarantors' ability to fulfil their obligations under the relevant Guarantee, please see "*Factors that may affect the Guarantors' ability to fulfil their obligations under the relevant Guarantee*" below.

Factors that may affect Places for People Homes Limited's ability to fulfil its obligations under Notes issued by it under the Programme

Places for People Homes Limited is a Registered Provider of Social Housing and a not-for-profit organisation whose activities are regulated by the Regulator of Social Housing. Factors which may affect its ability to fulfil its obligations under Notes issued by it are the same factors which may affect its ability to fulfil its obligations as Guarantor under the relevant Guarantee in respect of Notes issued by Places for People Capital Markets plc and Places for People Treasury plc. For a discussion of such factors, please see "*Factors that may affect the Guarantors' ability to fulfil their obligations under the relevant Guarantee*" below.

Credit Risk

Places for People Homes Limited, and therefore payments by Places for People Homes Limited to the Noteholders in respect of the Notes, will be subject to the credit risk of the Guarantors. Places for People Homes Limited will be subject to the risk of delays in the receipt, or risk of defaults in the making, of payments due from any Guarantor(s) under the relevant loan agreements entered into between Places for People Homes Limited and any Guarantor(s) in respect of the proceeds of the Notes. Delays in the receipt of payments due from any Guarantor(s) under its respective loan agreement could adversely affect the ability of Places for People Homes Limited to fulfil its payment obligations under the Notes.

However, the Homes Guarantors have jointly and severally guaranteed the obligations of Places for People Homes Limited under the Notes issued by it and it is envisaged that, in the event that Places for People Homes Limited is unable to make a payment under its Notes, such payment will be made by the Homes Guarantors pursuant to the Homes Guarantee. For a discussion of the factors which may affect the Guarantors' ability to fulfil their obligations under the relevant Guarantee, please see "*Factors that may affect the Guarantors' ability to their obligations under the relevant Guarantee*" below.

Factors that may affect the Guarantors' ability to fulfil their obligations under the relevant Guarantee

Welfare Reform Risk

The Guarantors receive a proportion of their rental income from housing benefit payable by local authorities. If there is a reduction or termination by the United Kingdom government (the **Government**) of housing benefit in England, then this may accordingly have an adverse impact on the payment of rent, as the tenants would have to pay a higher proportion of the rent themselves and may not be able to make such payments.

The Welfare Reform and Work Act 2016 (the **WRW Act**) came into force on 1 April 2016 and incorporates a series of welfare reforms that make provisions on social housing rents, the household benefit cap and social security and tax credits that expose the Guarantors to the risk of a reduction in rental income and an increase in arrears.

The Summer Budget 2015 announced, and the Spending Review and Autumn Statement 2015 confirmed, that the total household benefit cap (the combined income from a number of welfare benefits for those receiving housing benefit or Universal Credit and are of working age) would, in autumn 2016, be reduced from £26,000 per year (or £18,200 per year for single people) to a maximum level in Greater London of £23,000 per year (or £15,410 per year for single people). There will be a lower household benefit cap for all parts of the country other than Greater London of £20,000 per year (or £13,400 for single people). Measures to implement the reduction of the household benefit cap were included in the WRW Act.

Exemptions to the total household benefit cap can apply to those tenants who qualify for working tax credit; are above the qualifying age for pensions credit; obtain certain benefits for sickness and disability; or claim a war pension. The benefit cap will also not apply in circumstances where a tenant or a tenant's partner is in receipt of, or is responsible for,

a child or young person who is in receipt of benefits such as disability living allowance, personal independence payment or carer's allowance. Housing benefit will not be included when calculating total benefit income where tenants are housed in specified accommodation including supported housing.

The reduction in the household benefit cap may have an adverse impact on the ability of those tenants impacted by the WRW Act to pay their rent, as, where the total amount of welfare benefits exceeds the benefit cap, the local authority will reduce a claimant's entitlement to housing benefit by the amount of that excess, meaning that affected tenants would have to pay a larger proportion of the rent themselves. In turn, this could have an adverse effect on a Guarantor's cash flow that could affect the ability of such Guarantor to meet its payment obligations under the relevant Guarantee.

Occupation size criteria have been applied to working age applicants' housing benefit claims relating to social housing since 1 April 2013. The current arrangements allow each of certain defined categories of people (such defined categories being: (a) a couple, (b) an adult (over 16), (c) two children (under 16) of the same sex, (d) two children under the age of 10, (e) any other child, (f) those with a disability, and (g) a non-resident overnight carer) to be entitled to one bedroom. Exemptions are applied to supported housing tenants. Where a household has one extra bedroom, their housing benefit is reduced by 14 per cent. Where there are two or more extra rooms, the reduction is 25 per cent.

While the Spending Review and Autumn Statement 2015 announced that housing benefit for tenants in the social housing sector would be limited to the level of the relevant Local Housing Allowance (**LHA**), on 25 October 2017 the Prime Minister announced that, in response to the Government's consultation on the future funding of supported housing, the proposed cap on LHA would not be applicable to the social rented sector. The response to the consultation was published jointly by the Ministry of Housing, Communities and Local Government (formerly the Department for Communities and Local Government) and the Department for Work and Pensions (**DWP**) on 31 October 2017. The response included a policy statement and further consultation entitled "Funding Supported Housing: Policy Statement and Consultation". Within the policy statement the Government restated the Prime Minister's announcement regarding the LHA cap and also stated that sheltered housing and extra care (where costs are higher) will continue to be funded in the welfare system with the introduction of a "Sheltered Rent" from April 2020.

Sheltered Rent is intended to acknowledge the higher costs associated with sheltered housing and extra care and the Government's further consultation (which ran until 23 January 2018) anticipated that Sheltered Rent will comprise a gross eligible rent (inclusive of eligible service charges) calculated by taking the relevant 'formula rent' for the property, plus or minus an additional 10 per cent. flexibility, plus service charges, and these various elements would be subject to an overall cap. The cap, intended to prevent combined rents and service charges from becoming too high, could, however, pose a risk to adequate cost recovery as, depending on the level of the cap as against the cost of services of a particular housing scheme, high service charges could be irrecoverable from tenants.

In August 2018, the Government produced a response to the consultation. The Government stated that its intention to regulate gross rent would be complex to deliver as setting a consistent cap would be challenging, with service charges being dictated by the actual cost of services, which vary from scheme to scheme. As a result, the Government stated it was not convinced the proposed regulatory approach was appropriate and that the Sheltered Rent model would not be pursued in the upcoming consultation on the Rent Standard Direction.

In the Government's consultation entitled "Consultation on a new Rent Standard from 2020", the Government launched a consultation from 7 May 2019 which shall run until 30 July 2019.

Any reduction, amendment or termination by the Government of housing benefit may have an adverse impact on the payment of rent, as the tenants would have to pay a higher proportion of the rent themselves. Non-payment, partial payment or any delay in payment of rent by the tenants could increase rental income arrears and bad debts, and could have an adverse effect on the ability of a Guarantor to meet its obligations under the relevant Guarantee.

Universal Credit

Universal Credit, introduced under the Welfare Reform Act 2012, is designed to simplify the benefits system for claimants and administrators and to improve work incentives by supporting people who are on low income or out of work. Universal Credit replaces six existing means-tested benefits and tax credits for working-age families, namely income support, income-based jobseeker's allowance, income-related employment and support allowance, housing benefit, child tax credit and working tax credit with a single monthly payment, transferred directly into a household

bank account of choice. Universal Credit is being introduced gradually and was originally scheduled to be completed in 2017. Full "roll out" of Universal Credit is now forecast to be completed, with the transfer of all individuals from existing benefits or tax credits onto Universal Credit, by March 2023.

The implementation of Universal Credit is likely to increase transaction costs and the receipt of rental payments by the Guarantors, as landlords, may be delayed by the failure of the tenant to apply for Universal Credit and/or regularly pay rent which is due in addition to the housing benefit and/or, in circumstances where the housing benefit is not paid directly to the landlord, a failure to pass on the housing benefit payments to the landlord. In such circumstances, non-payment, partial payment or any delay in payment of rent could increase rental income arrears and bad debts and may affect the ability of a Guarantor to meet its payment obligations under the relevant Guarantee.

It is possible for tenants to consent to their housing benefit being paid directly to their landlord and, furthermore, the DWP has agreed to safeguard landlords' income by putting in place protection mechanisms to allow for the payment of rent direct to landlords if tenants are vulnerable or fall into two months of arrears. The DWP has set up a support and exceptions working group to look at which vulnerable claimants will fall within the support group and will be assessing the results of the pilot project to identify the approach to arrears, which could be based on the length of time for which arrears have been outstanding or the amount of arrears. Increases in arrears may affect the ability of a Guarantor to meet its payment obligations under the relevant Guarantee.

The DWP set up a "*Direct Payment Demonstration Project*", the final evaluation of which was published on 18 December 2014 covering an 18-month period. The project was carried out in six areas to identify key lessons from the direct payment of housing benefit to social sector tenants. The outstanding conclusion is that the predicted dramatic increase in rent arrears did not occur. Overall, the social sector tenants evaluated by the DWP paid 95.5 per cent. of all rent owed compared to 99.1 per cent. for those not on direct payment.

Furthermore, the impact of direct payment lessened significantly over time: half of the total direct payment arrears were accrued in the first month (or four week period) following migration. The DWP research showed that in the fourth to sixth payment periods, the difference in payment rates had fallen to 2.8 percentage points, falling again in the seventh to ninth payment periods to 1.3 percentage points. By the eighteenth payment, the average payment rate of the social sector tenants evaluated had risen to 99 per cent.

The Department for Work and Pensions has opened two enquiries in response to social landlord concerns around increasing arrears under Universal Credit. The first enquiry ran from February 2017, lasting until 20 March 2017, and the second from October 2017 to 9 January 2018. In September 2017 the DWP published its commissioned research, entitled *Universal Credit Test and Learn Evaluation: Families*, which found that a five week period prior to the first award of Universal Credit to tenants was a key factor behind the early accrual of rent arrears.

In response to these findings, on 21 September 2017 the Minister for Employment, Damien Hinds, sent a letter to the chair of the Work and Pensions Committee, announcing two initiatives intended to tackle social landlords' concerns on Universal Credit. The Landlord Portal Service permits landlords to submit information to the Universal Credit system on behalf of tenants, and the Trusted Partner Scheme allows more streamlined access to direct payments of Universal Credit to the landlord (as opposed to tenants' own bank accounts).

Furthermore, changes announced in the Autumn Budget 2017 and which took effect from 14 February 2018 include, among other things, the removal of the initial seven day waiting period for Universal Credit. Notwithstanding this, any new claims made by tenants for Universal Credit may result in it taking up to five weeks for a tenant to receive payments. This is because following the submission of a claim, there is an assessment period lasting one calendar month and any payments are not made until a further seven days following the end of that assessment period. Claimants may suffer financial hardship during the five week period from the date of a claim to the date of payment; however, any claimants suffering hardship may request an advance payment and personal budgeting support. Since spring 2018, claimants have been able to request an advance through their online Universal Credit account. Separately, a discretionary housing payment from the claimant's local authority is also available. Since April 2018, any claimants who had been receiving housing benefit immediately prior to claiming Universal Credit have received a transitional payment of two weeks' housing benefit when they claim Universal Credit. Transitional payments are not recoverable and should be received by any claimant in the first assessment period.

Rental Income Risk

The tenants of the Guarantors' social housing (as defined in Part 2 of the Housing and Regeneration Act 2008) properties are personally responsible for the rental payments on the relevant occupied properties, and consequently the Guarantors are exposed to the risk of arrears and bad debts. There is currently a greater risk of non-payment for those tenants who are not in receipt of full or partial housing benefit compared to tenants eligible for housing benefit which, under the current system, is paid by the local authority direct to the landlord. If payment of housing benefit directly to tenants becomes the default position, the risk of non-payment by tenants will increase as it is anticipated that not all tenants will pass on such housing benefit payments to their landlord. In the event that any such tenants fail to pay rent in full on a timely basis, this could also affect the ability of a Guarantor to meet its payment obligations under the relevant Guarantee.

Aside from the risks associated with Welfare Reform set out above (which may be mitigated to an extent by the DWP's planned protection mechanisms allowing for payments to be made directly to landlords if tenants are vulnerable or if they fall into two months of arrears), payments of housing benefit by local authorities may be delayed. In such circumstances, the non-payment, or any delay in payment of material amounts of rental income, could affect the ability of a Guarantor to meet its payment obligations under the relevant Guarantee.

Each Guarantor has worked to engage with tenants on the practical impact of welfare reform, to mitigate the risk of non-payment and of them not passing on housing benefit payments to the Guarantor landlord.

Rental Reduction Risk

The relevant rent standard guidance for Registered Providers of Social Housing, first published on 31 March 2015 (as updated on 18 March 2016 and 3 May 2016), is contained within the Rent Standard and Rent Standard Guidance sections of the regulatory framework for social housing in England (the **Regulatory Framework**) issued by the Regulator of Social Housing. As part of the 8 July 2015 Budget, the Government announced it would require Registered Providers of Social Housing to reduce rents for social housing in England by 1 per cent. a year for 4 years from April 2016 and with maximum rent requirements for new tenancies. The Guarantors adjust their rents for social housing (as defined in Part 2 of the Housing and Regeneration Act 2008) annually from 1 April each year and have, in accordance with the WRW Act, applied the four 1 per cent. rent reductions effective from 1 April 2016, 1 April 2017, 1 April 2018 and 1 April 2019, respectively.

In the WRW Act there is provision for exceptions to the rent reduction requirement and the Secretary of State has regulation making power to introduce other exemptions. For example, reductions do not apply to rents payable by residents in low cost home ownership and shared ownership properties. Furthermore, the WRW Act also gives the Regulator of Social Housing the power, by direction, to exempt a Registered Provider of Social Housing from the rent reduction requirement. Such an exemption will only be granted where compliance with the requirement would jeopardise the Registered Provider of Social Housing's financial viability. The Guarantors do not expect to benefit from this exemption.

On 4 October 2017, the Government confirmed that, for five years effective from 1 April 2020, rents for social housing may be increased by up to the Consumer Price Index plus 1 per cent., thus giving the Guarantors certainty over future income streams, subject to any future Government rent policy changes.

It is possible that any reduction in rental income could have an adverse effect on the Guarantors' cash flow up to 1 April 2020 that could affect the ability of a Guarantor to meet its payment obligations under the relevant Guarantee.

Housing Grant Risk

The Guarantors have historically received, and are expecting to receive, grant funding from a variety of sources, including Homes England. Due to the nature of grant funding, there is a risk that the amount of funding available and the terms of grants will vary. Following approval of a grant, there is a risk that Homes England may revise the terms of a grant and reduce entitlement, suspend or cancel any instalment of such a grant. In certain circumstances, set out in the

Capital Funding Guide and the Recovery of Capital Grants and Recycled Capital Grant Fund General Determination 2017 of Homes England, including, but not limited to, failure to comply with conditions associated with the grant or a disposal of the property funded by a grant, the grant may be required to be repaid or reused. Any such reduction in, withdrawal of, repayment or re-use of grant funding could adversely impact the future development of a Guarantor and could affect the ability of a Guarantor to meet its payment obligations under the relevant Guarantee.

Grant funding for Registered Providers of Social Housing has undergone significant and material change. The 2015-2018 Affordable Homes Programme was launched in January 2014. The primary change brought about under the 2015-2018 Affordable Homes Programme was that not all of the available funding was allocated from the outset. Instead, up to 75 per cent. was allocated, with the remainder being made available via on-going market engagement.

In April 2016, Homes England announced that it was making available £4.7 billion of capital grant between 2016-2021 under the Shared Ownership and Affordable Homes Programme 2016-2021. This programme marked a decisive shift towards support for home ownership. However, the Autumn Statement 2016 announced that an additional £1.4 billion was available to build 40,000 affordable homes and that the Shared Ownership and Affordable Homes Programme 2016-2021 will support a variety of tenures which now includes affordable rent, shared ownership and rent to buy. An additional £2 billion was confirmed in the Chancellor's Autumn Budget in November 2017 and was available to Homes England and the Greater London Authority to deliver affordable homes. This came with extended support for "Social Rent" homes, with rents set at lower rents according to national guidelines. A further announcement in the Spring Statement 2018 provided for an additional £1.67 billion for the Shared Ownership and Affordable Homes Programme. This expanded funding programme has allowed Homes England to enter into strategic partnerships with 23 providers to deliver around 40,000 affordable homes starting from March 2022, drawing on new flexibilities in the programme to deliver quickly in response to local housing demand and a changing market.

In July 2018, the Group was announced as one of Homes England's strategic partners to deliver more affordable homes across England. This partnership will result in £74 million of new grant which will allow the Group to deliver 2,600 affordable new homes.

Regulatory Risk

The regulation of Registered Providers of Social Housing has undergone significant and recent change. The Housing and Regeneration Act 2008, as amended by the Localism Act 2011 and the Housing and Planning Act 2016, (the **Act**) makes provision for the regulation of social housing in England.

Each Guarantor is regulated by the Regulator of Social Housing. As part of its functions, the Regulator of Social Housing provides economic regulation for Registered Providers of Social Housing in order to ensure they are financially viable and well governed and to support the confidence of private lenders to provide funds.

The Regulator of Social Housing regulates Registered Providers of Social Housing in accordance with the Regulatory Framework, which sets out the standards that apply to Registered Providers of Social Housing (the **Standards**). The Standards cover: governance and financial viability; value for money; rent; quality of accommodation; repairs and maintenance; allocations, mutual exchanges and tenure; neighbourhood management, local area co-operation and anti-social behaviour; and tenant involvement and empowerment. Registered Providers of Social Housing are expected to comply with the Standards and to establish arrangements to ensure that they are accountable to their tenants, the Regulator of Social Housing and relevant stakeholders.

The enforcement by the Regulator of Social Housing of the Standards other than those relating to governance and financial viability, rent and value for money is restricted to cases in which there is, or there is a risk of, serious detriment to tenants (including future tenants). The Regulatory Framework includes guidance as to how the Regulator of Social Housing will assess whether serious detriment may arise.

In April 2015 the Regulator of Social Housing published updates to the Regulatory Framework. These updates provided for changes in the way the Regulator of Social Housing regulates, including asset and liability registers which are aimed to ensure that social housing assets are not put at risk, to protect the public value in those assets and to ensure that the sector can continue to attract the necessary finance to build new homes. The Guarantors have adhered to the requirements of the Regulatory Framework.

In March 2017 the Regulator of Social Housing published new directions under the Act that were effective from 6 April 2017. These new directions, which replace the previous "before the event" consent regime with an "after the event" notifications requirement, have been accompanied by detailed guidance on when and how to notify the Regulator of Social Housing about: (a) corporate restructures; (b) amendments to constitutional documents; and (c) disposals of social housing dwellings. These changes were designed to persuade the Office of National Statistics (**ONS**) to reverse its reclassification judgement and take Registered Providers of Social Housing back out of the "public sector". The explicit purpose behind the notifications is to: (1) validate adherence to all relevant law and compliance with governing documents; (2) ensure accountability to tenants and proper consultation with tenants when considering a disposal that would mean a change in the tenant's landlord or changes that affect a tenant's statutory or contractual rights; and (3) promote the achievement of value for money in how social housing is used.

The Regulator of Social Housing's intention is to strengthen its expectations of Registered Providers of Social Housing in relation to risk management and planning for adverse events. The changes are designed to underpin the financial viability of Registered Providers of Social Providers such as the Guarantors but it is possible that compliance may result in increased costs.

Any breach of new or existing regulations could lead to the exercise of the Regulator of Social Housing's statutory powers. The Regulator of Social Housing publishes guidance on how it regulates. It adopts a proportionate approach with an emphasis on self-regulation and co-regulation. In practice, use of statutory powers is rare. Serious non-compliance with the economic standard is more likely to lead to a downgrade of the Regulator of Social Housing's published regulatory judgement and agreement with the Regulator of Social Housing of the corrective action to be taken. Any significant costs which result from such regulation or the exercise of such statutory powers by the Regulator of Social Housing could affect the ability of a Guarantor to meet its payment obligations under the relevant Guarantee.

In April 2019, following an in depth assessment by the Regulator of Social Housing, the Group Parent retained the highest possible rating of G1 for governance and V1 for viability. Such regulatory judgement also applied to, among others, Places for People Homes Limited, Places for People Living+ Limited, Cotman Housing Association Limited and Derwent Housing Association Limited.

Capital Resources & Treasury Risk

To mitigate liquidity risk and augment its capital resources, the Guarantors currently rely on financing through legacy committed term credit facilities from a mixture of major banks and revolving credit facilities with Places for People Treasury plc (and on-lent to the Guarantors), the latter typically up to five years. In the case of Places for People Homes Limited, it also holds slightly longer term fixed rate capital markets debt which matches the longer term nature of its housing assets and private placements which have also been denominated in foreign currency and swapped back and fixed in sterling.

The relatively shorter term bank lines could become unavailable to the Guarantors if, for example, banks decline to renew existing facilities to Places for People Treasury plc, which in turn could therefore become unable to on lend to the Guarantors, or if a reduction in any relevant credit rating makes the cost of accessing the public and private debt markets prohibitive. Although Places for People Treasury plc, on behalf of each Guarantor, considers that the diversity of its financing helps to protect it from liquidity risk, it could find itself unable to access these sources of financing. However, the risk to each Guarantor is mitigated by the increasing availability of committed, revolving credit facilities provided directly by Places for People Treasury plc.

Each Guarantor, but to the greatest extent Places for People Homes Limited, is also subject to interest rate and currency risk in respect of its variable rate lines of credit and overseas borrowings. Each Guarantor has adopted the Group's treasury management policy and practices and is supported by the Group's treasury function. The Group's treasury function has clear policies and operating parameters, including in relation to interest rate and currency risk management, and its activities are regularly reviewed and audited to ensure that each Guarantor is not over exposed to interest rate and currency risk. The undertaking of speculative transactions is not permitted. In addition, each Guarantor has delegated authority to the board of directors of Places for People Treasury plc to oversee all finance decisions on their behalf. The board of directors of Places for People Treasury plc is made up of professionals with

appropriate financial backgrounds and qualifications. This ensures that a more consistent and specialised approach on all aspects of finance strategy is adopted for the benefit of the Guarantors.

Operational Risk

Residential property investment is subject to varying degrees of operational risk. Political factors can influence Government regulation and planning and tax laws might adversely impact a Guarantor's ability to develop land acquired, or the value of its land investments. Interest rate increases, build cost inflation and the cost of financing can all adversely impact outturn development costs reducing rental yields and profitability on for sale developments.

Each Guarantor needs to continue to invest in its stock of housing assets held for rent and in its neighbourhoods in order to maintain its stock condition and to guard against neighbourhood decline and stock obsolescence. The Government has imposed a duty on all public sector landlords to ensure that their properties conform to a "Decent Homes Standard".

Each Guarantor faces operational risk resulting from major systems failure or breaches in systems security; although each Guarantor has prepared disaster recovery plans in order to mitigate against this, it is dependent upon each Guarantor's IT and technology systems in order to deliver normal business process. As each business grows and diversifies it needs to recruit staff with the requisite skills and competencies to deliver its vision; it also needs to invest in the skills and competencies of its existing staffing resources in order to develop and retain expertise to deliver its plans and guard against business failure. However, this is mitigated by the overall systems that the Group has in place which help each Guarantor's business and bring about a more efficient process with procedures in place to handle any failures at a subsidiary level.

Each business is also at risk of the consequences of theft, fraud, health and safety and environmental issues, natural disaster and acts of terrorism (in relation to health and safety risks, see also "*Litigation Risk*"). Operational risk of this kind can occur in many forms including, among others, errors, business interruptions, inappropriate behaviour of, or misconduct by, employees or of those contracted to perform services for a Guarantor, and also third parties that fail to perform in accordance with their contractual agreements. These events could result in financial loss to a Guarantor.

Each Guarantor's approach to operational risk management is intended to reduce the risk of loss; to monitor and manage operational risk, each Guarantor maintains a framework of internal controls and risk matrices designed to provide a sound and well-controlled operating environment overseen by a business assurance unit. Each Guarantor strives to maintain appropriate levels of operational risk relative to its business strategies, its competitive and regulatory environment, and the markets in which it operates. Each Guarantor is indemnified in a number of instances under insurance policies for operating risks that can be mitigated.

Housing Market Risk

Residential property investment is subject to varying degrees of market risk. Market risks which may impact upon both the rental market and the development of residential properties include the risk of changes to Government regulation, including, but not limited to, regulation relating to planning, taxation, landlords and tenants and welfare benefits. Furthermore, the maintenance of existing properties, development of existing sites and acquisition of additional sites may be subject to the availability of finance facilities and the costs of facilities, interest rates and inflation each of which may also have an effect on the housing market. Among other things, these market risks may impact upon the expenses incurred by a Guarantor associated with existing residential properties, rental income produced by these properties, the value of its existing investments, its ability to develop land that it has acquired and its ability to acquire additional sites. This could, in turn, impact upon such Guarantor's cash flow and its ability to satisfy any asset cover covenants which it is required to maintain pursuant to the terms of existing financing arrangements.

Litigation Risk

Each Guarantor knows the significance to its operations of, and is focused on, adhering to all applicable legal and compliance legislation. No Guarantor is currently aware of any material breach of applicable health and safety or environmental laws, litigation or breach of applicable regulatory laws, or failure to comply with corporate, employee or taxation laws. If any material breach were to occur in the future, this could have an adverse impact on a Guarantor's results of operations and therefore its ability to meet its payment obligations under the relevant Guarantee.

Given each Guarantor owns housing units of all tenures, including general needs and affordable use, each Guarantor is aware of the need for all of its units to comply with health and safety legislation to ensure the safety of all occupying tenants. Accordingly, each Guarantor is currently reviewing and updating its policies and procedures (including in relation to the recommendations of the Independent Review of Building Regulations and Fire Safety led by Dame Judith Hackitt), and will continue to do so if and when legislation changes, to ensure that the condition and safety of each unit is compliant with legal and regulatory requirements. Each Guarantor also carries out health and safety checks of its properties on an on-going basis, including, but not limited to: gas safety checks and fire risk assessments; and technical inspections of the materials on all of the Guarantors' high-rise affordable housing blocks. Each Guarantor is increasing the onsite presence of staff to reassure its tenants and provide fire safety information and has also commenced a programme of retrofitting sprinkler systems to all of its affordable housing blocks of six storeys or more.

To date, claims made against the Guarantors have not had a material impact on such entities' revenue or business, although there can be no assurance that any Guarantor will not, in the future, be subject to a claim which may have a material impact upon its revenue or business. Furthermore, each Guarantor has the benefit of insurance for, among other things, employer's liability, public liability and professional indemnity at a level which the management of such Guarantor considers to be prudent for the type of business in which such Guarantor is engaged.

The relationship of the United Kingdom with the European Union may affect the business of the Group

On 29 March 2017, the United Kingdom (UK) invoked Article 50 of the Lisbon Treaty and officially notified the European Union (EU) of its intention to withdraw from the EU. This commenced the formal process of negotiations regarding the terms of the withdrawal and the framework of the future relationship between the UK and the EU (the **article 50 withdrawal agreement**). As part of those negotiations, a transitional period has been agreed in principle which would extend the application of EU law, and provide for continuing access to the single market, until the end of 2020.

It remains uncertain when and whether the article 50 withdrawal agreement will be finalised and ratified by the UK and the EU ahead of the 31 October 2019 deadline. If it is not ratified, the Treaty on the European Union and the Treaty on the Functioning of the European Union will cease to apply to the UK from that date. Whilst continuing to negotiate the article 50 withdrawal agreement, the Government has therefore commenced preparations for a "hard" Brexit or "no-deal" Brexit to minimise the risks to firms and businesses associated with an exit with no transitional agreement. This has included publishing draft secondary legislation under powers provided in the EU (Withdrawal) Act 2018 to ensure that there is a functioning statute book on 31 October 2019. The European authorities have not provided UK firms and businesses with similar assurances in preparation for a "hard" Brexit.

Due to the on-going political uncertainty as regards the terms of the UK's withdrawal from the EU and the structure of the future relationship, the precise impact on the business of the Group is difficult to determine. As such, no assurance can be given that such matters would not adversely affect the ability of the Guarantors to meet their payment obligations under the relevant Guarantees.

Pensions Risk

Past and present employees of Places for People Homes Limited are the majority of members of the Places for People Group Retirement Benefit Scheme, a defined benefit pension scheme (the **Scheme**) in the UK. The Scheme was closed to new members on 1 September 2004 and was closed to future accrual in October 2010. An actuarial valuation of the Scheme was carried out at 31 March 2012 by an independent qualified actuary. The calculations for this valuation were updated to determine the Scheme's liabilities as at 31 March 2018 according to Financial Reporting Standard 102 (**FRS102**). An unaudited asset value of £210 million has been arrived at based on the asset information provided by the Scheme's investment managers and including the balance of the scheme's trustees' bank account as at 31 March 2018. The FRS102 funding position calculates a Scheme deficit of £7 million. The Scheme corporate trustee is required to negotiate with the Group Parent to ensure that the deficit is reduced as quickly as possible although it is not expected to make demands which would place the Group Parent or Places for People Homes Limited (in respect of its share of any

deficit reduction contributions) in financial difficulty or trigger a collapse of Places for People Homes Limited or the Scheme.

Places for People Homes Limited also participates in The Social Housing Pension Scheme (**SHPS**) on behalf of itself. The SHPS is a multi-employer scheme and, as a result, it was not possible to identify the share of assets and liabilities for each participating employer as at 31 March 2018. During the course of 2019 it has become possible to identify Places for People Homes Limited's share and it is expected that details will be included in its audited annual financial statements for the year ended 31 March 2019. Places for People Homes Limited recognised a liability in its financial statements based on the present value of agreed deficit recovery contributions of £2 million as at 31 March 2018.

Cotman Housing Association Limited also participates in the SHPS and recognised a liability in its financial statements based on the present value of agreed deficit recovery contributions of £845,000 as at 31 March 2018.

Solvency Risk

If a Guarantor goes out of business or becomes insolvent, Noteholders may lose some or, in the worst case scenario, all of their investment in the Notes issued under the Programme. In the event that a Guarantor becomes insolvent, Noteholders will recover their investment in priority to shareholders of such Guarantor. However, a Noteholder could still lose the money it has invested.

Environmental considerations

Under relevant UK environmental legislation, liability for environmental matters can be imposed on the "owner" or any "person in control" of land. The term "owner" is not specifically defined and could include anyone with a proprietary interest in a property. Environmental laws may impose liability on the owner for clean-up costs if a property is or becomes contaminated. A Guarantor may therefore be liable for the entire amount of the clean-up and redemption costs for a contaminated site regardless of whether the contamination was caused by it or not. These costs may be significant and could have an adverse effect on a Guarantor's cash flow that could affect the ability of such Guarantor to meet its payment obligations under the relevant Guarantee.

In addition, the presence of hazardous or toxic substances, or the failure to adequately remedy adverse environmental conditions at a property, may adversely affect its market value, as well as a Guarantor's ability to sell, lease or refinance the property. Any environmental liability imposed on a Guarantor could result in a shortfall in funds available to meet such Guarantor's payment obligations under the relevant Guarantee. However, to mitigate this risk, each Guarantor has undertaken and continues to undertake proper environmental due diligence before acquiring or building its assets.

Sufficiency of Insurance

Although each of the properties owned by each Guarantor is insured at appropriate levels and against customary risks (to a level sufficient to satisfy bank lenders), there can be no assurance that any loss incurred will be of a type covered by such insurance, nor can there be any assurance that the loss will not exceed the limits of such insurance. Any interruption in income or any loss or damage caused to a property not adequately covered by insurance could result in a shortfall in funds available to a Guarantor to meet its payment obligations under the relevant Guarantee.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

Risks applicable to all Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

If the relevant Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Redemption for Tax reasons

Under the Conditions of the Notes (see Condition 7.2 (*Redemption for tax reasons*)) below, the relevant Issuer may, in certain circumstances, redeem the Notes if that Issuer has or will, as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any change in the application or official interpretation of such laws or regulations, become obliged to pay additional amounts in respect of tax on the Notes or if the relevant Guarantors have become obliged to make payment under or pursuant to the relevant Guarantee and in making such payments they would be required to pay any such additional amounts. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

If the relevant Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks", including LIBOR and EURIBOR are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark.

The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and mostly applies, subject to certain transitional provisions, from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, and in a subsequent speech by its Chief Executive on 12 July 2018, the FCA confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the **FCA Announcements**). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, their Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**SONIA**) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Separate work streams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (**€STR**) as the new risk-free rate. €STR is expected to be published by the European Central Bank (**ECB**) by October 2019. In addition, on 21 January 2019, the euro risk-free rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system.

It is not possible to predict with certainty whether, and to what extent, LIBOR and EURIBOR will continue to be supported going forwards. This may cause LIBOR and EURIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes, or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should be aware that, if LIBOR or EURIBOR were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference LIBOR or EURIBOR will be determined for the relevant period by the fallback provisions applicable to such Notes. Depending on the manner in which LIBOR or EURIBOR is to be determined under the Conditions of the Notes, this may in certain circumstances (i) be reliant upon the provision by reference banks of offered quotations for LIBOR or EURIBOR which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the relevant Screen Page. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference LIBOR or EURIBOR.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation or any of the international or national reforms in making any investment decision with respect to any Notes referencing a benchmark.

*Notes which are linked to the Retail Prices Index (**Index Linked Notes**)*

Index Linked Notes may be issued on terms that the amount of interest payable on each interest payment date and/or the amount to be repaid upon redemption of the Notes will be calculated by reference to movements in RPI during a reference period. RPI may go down as well as up.

Where Notes are issued in respect of which the amount of interest payable is subject to adjustment by reference to the RPI, a decrease in RPI over the reference period will reduce the interest amount for the relevant interest payment. In a deflationary environment, the annual interest received may be lower than the specified rate of interest. Where the amount payable upon redemption of the Notes is subject to adjustment by reference to RPI, a decrease in RPI over the reference period may reduce the amount to be repaid upon redemption of the Notes to less than the face amount of the Notes, unless the applicable Final Terms specifies a minimum redemption amount which is equal to or higher than the face principal amount of the Notes.

In respect of such Index Linked Notes, potential investors should be aware that:

- the market price may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time than expected;
- the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- an index may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices; and
- the timing of changes in an index may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the relevant index, the greater the effect on yield.

Fixed Rate Notes

Fixed Rate Notes bear interest at a fixed rate. Potential investors should note that (i) if interest rates start to rise then the income to be paid by the Notes might become less attractive and the price they get if they sell could fall. However, the market price has no effect on the income investors receive or what investors get back on expiry of the Notes if they hold on to the Notes until they expire; and (ii) inflation will reduce the real value of the Notes over time, which may affect what the investors could buy with their investment in the future and which may make the fixed rate on the Notes less attractive in the future.

General

If investors choose to sell the Notes issued under the Programme at any time prior to their maturity, the price they receive from a purchaser could mean that they get back less than their original investment when they sell them. Factors that will influence the price include, but are not limited to, market appetite, inflation, the time of redemption, interest rates and financial position of the relevant Issuer or the relevant Guarantors.

Risks related to Notes generally

Set out below is a description of material risks relating to the Notes generally:

The Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 15.

The value of the Notes could be adversely affected by a change in English law or administrative practice

The Conditions of the Notes are based on English law and regulatory and administrative practice in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or regulatory or administrative practice in the United Kingdom (including to United Kingdom tax law, or the interpretation or administration thereof, or to the published practice of HM Revenue & Customs) after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Risks related to the market generally

Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as the state of the credit markets in general and the creditworthiness of the Obligors, as well as other factors such as time remaining to the maturity of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The relevant Issuer will pay principal and interest on the Notes, and the relevant Guarantors will make any payments under the relevant Guarantee, in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the relevant Issuer and the relevant Guarantors to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

Credit ratings assigned to the relevant Issuer or any Notes may not reflect all risks associated with an investment in those Notes

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Offering Circular.

Yield associated with Fixed Rate Notes

The indication of yield stated with the Final Terms of the Notes applies only to investments made at (as opposed to above or below) the issue price of the Notes. If an investor invests in Notes issued under the Programme at a price other than the issue price of the Notes, the yield on the investment will be different from the indication of yield on the Notes as set out in the Final Terms of the Notes.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Offering Circular and have been filed with the Financial Conduct Authority, shall be incorporated in, and form part of, this Offering Circular:

- (a) the auditors' report and audited annual financial statements for the financial year ended 31 March 2018 of Places for People Homes Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 11
(ii)	Income Statement.....	Page 10
(iii)	Accounting Principles and Notes.....	Pages 14 to 43
(iv)	Audit Report.....	Pages 6 to 9

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (b) the auditors' report and audited annual financial statements for the financial year ended 31 March 2017 of Places for People Homes Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 7
(ii)	Income Statement.....	Page 6
(iii)	Accounting Principles and Notes.....	Pages 10 to 37
(iv)	Audit Report.....	Pages 5 to 7

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (c) the auditors' report and audited annual financial statements for the financial year ended 31 March 2018 of Places for People Capital Markets plc including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 9
(ii)	Income Statement.....	Page 8
(iii)	Accounting Principles and Notes.....	Pages 11 to 17
(iv)	Audit Report.....	Pages 5 to 7

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (d) the auditors' report and audited annual financial statements for the financial year ended 31 March 2017 of Places for People Capital Markets plc including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 7
(ii)	Income Statement.....	Page 6
(iii)	Accounting Principles and Notes.....	Pages 9 to 15
(iv)	Audit Report.....	Page 5

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

(e) the auditors' report and audited financial statements for the period ended 31 March 2018 of Places for People Treasury plc including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 9
(ii)	Income Statement.....	Page 8
(iii)	Accounting Principles and Notes.....	Pages 11 to 17
(iv)	Audit Report.....	Pages 5 to 7

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

(f) the auditors' report and audited financial statements for the period ended 31 March 2017 of Places for People Treasury plc including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 7
(ii)	Income Statement.....	Page 6
(iii)	Accounting Principles and Notes.....	Pages 9 to 15
(iv)	Audit Report.....	Page 5

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

(g) the auditors' report and audited annual financial statements for the financial year ended 31 March 2018 of Places for People Living+ Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 11
(ii)	Income Statement.....	Page 10
(iii)	Accounting Principles and Notes.....	Pages 14 to 26
(iv)	Audit Report.....	Pages 6 to 9

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

(h) the auditors' report and audited annual financial statements for the financial year ended 31 March 2017 of Places for People Living+ Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 7
(ii)	Income Statement.....	Page 6
(iii)	Accounting Principles and Notes.....	Pages 10 to 22
(iv)	Audit Report.....	Page 5

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

(i) the auditors' report and audited annual financial statements for the financial year ended 31 March 2018 of Cotman Housing Association Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 10
(ii)	Income Statement.....	Page 9

(iii)	Accounting Principles and Notes.....	Pages 13 to 28
(iv)	Audit Report.....	Pages 7 to 8

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (j) the auditors' report and audited annual financial statements for the financial year ended 31 March 2017 of Cotman Housing Association Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 9
(ii)	Income Statement.....	Page 8
(iii)	Accounting Principles and Notes.....	Pages 12 to 27
(iv)	Audit Report.....	Page 7

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (k) the auditors' report and audited annual financial statements for the financial year ended 31 March 2018 of Derwent Housing Association Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 19
(ii)	Income Statement.....	Page 18
(iii)	Accounting Principles and Notes.....	Pages 22 to 69
(iv)	Audit Report.....	Pages 14 to 17

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (l) the auditors' report and audited annual financial statements for the 15 month period ended 31 March 2017 of Derwent Housing Association Limited including the information set out at the following pages in particular:

(i)	Statement of Financial Position.....	Page 16
(ii)	Income Statement.....	Page 15
(iii)	Accounting Principles and Notes.....	Pages 19 to 66
(iv)	Audit Report.....	Pages 13 to 14

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (m) the Terms and Conditions of the Notes contained in the previous Offering Circulars dated 20 July 2007 (pages 27 to 46 (inclusive)), 6 May 2010 (pages 29 to 48 (inclusive)), 6 May 2011 (pages 49 to 69 (inclusive)), 19 August 2013 (pages 33 to 57 (inclusive)), 24 November 2015 (pages 142 to 167 (inclusive)), 30 June 2017 (pages 41 to 66 (inclusive)) and 2 August 2018 (pages 45 to 70 (inclusive)) prepared by Places for People Homes Limited and/or Places for People Capital Markets plc and/or Places for People Treasury plc in connection with the Programme.

Following the publication of this Offering Circular, a supplement may be prepared by the Obligor and approved by the FCA in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Offering Circular or in a

document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered offices of the Obligors and from the specified office of the Paying Agent for the time being in London. Documents may also be viewed electronically and free of charge at <https://www.placesforpeople.co.uk/about-us/investors/>.

Any documents (including websites) themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Offering Circular.

The Obligors will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (a **Permanent Global Note** and, together with any Temporary Global Note, the **Global Notes**) which, in either case, will:

- (i) if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); and
- (ii) if the Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that that Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Issuing and Paying Agent (the **Agent**).

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Global Note of the same Series or (b) definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

The option for an issue of Notes to be represented on issue by a Temporary Global Note exchangeable for definitive Notes should not be expressed to be applicable in the applicable Final Terms if the Notes are issued with a minimum Specified Denomination, such as €100,000 (or its equivalent in another currency), plus one or more higher integral multiples of another smaller amount, such as €1,000 (or its equivalent in another currency).

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, or (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday,

statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system satisfactory to the Trustee is available or (iii) the relevant Issuer or any Paying Agent has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event as described in (i) or (ii) above, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

Where TEFRA D is specified in the applicable Final Terms, the following legend will appear on all Notes (other than the Temporary Global Notes) which have an original maturity of more than one year and on all interest coupons relating to such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Notes or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the relevant Issuer, the Agent and the Trustee.

No Noteholder or Couponholder shall be entitled to proceed directly against the relevant Issuer or any relevant Guarantor unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

The relevant Issuer and the relevant Guarantors may agree with any Dealer and the Trustee that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event, a new Offering Circular will be made available which will describe the effect of the agreement reached in relation to such Notes.

APPLICABLE FINAL TERMS

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[Singapore Securities and Futures Act Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the **SFA**), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**)) and Excluded Investment Products (as defined in MAS Notice SFA 04:N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investments Products).]¹

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[Date]

[Places for People Capital Markets plc]

[Places for People Homes Limited]

[Places for People Treasury plc]

Legal Entity Identifier (LEI): [213800YZJ9T9YA4ENG50]
[2138006VZYSUOICR2M02]
[213800B9U45TFBXW5K67]

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
jointly and severally guaranteed by [Places for People Homes Limited,]Places for People Living+ Limited,
Cotman Housing Association Limited and Derwent Housing Association Limited
under the £2,000,000,000**

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

¹ Legend is to be amended for the applicable product classification for any offers made in Singapore. Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated [date] [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular has been published via the regulatory news service maintained by the London Stock Exchange (www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular dated [original date] [and the supplement to it dated [date]] which are incorporated by reference in the Offering Circular dated [current date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular dated [current date] [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the **Offering Circular**), including the Conditions incorporated by reference in the Offering Circular. Full information on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular has been published via the regulatory news service maintained by the London Stock Exchange (www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).]

The expression **Prospectus Directive** means Directive 2003/71/EC (as amended or superseded) and includes any relevant implementing measure in the relevant Member State.

1.
 - (a) Issuer: [Places for People Capital Markets plc]
[Places for People Homes Limited]
[Places for People Treasury plc]
 - (b) Guarantors: [Places for People Homes Limited]
Places for People Living+ Limited
Cotman Housing Association Limited
Derwent Housing Association Limited
2.
 - (a) Series Number: []
 - (b) Tranche Number: []
 - (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about []][Not Applicable]
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
 - (a) Series: []
 - (b) Tranche: []
5. Issue Price: [] per cent. of the Aggregate Nominal Amount of the Tranche [plus accrued interest from []]
6.
 - (a) Specified Denominations: []
 - (b) Calculation Amount (in relation []

to calculation of interest for Notes in global form (see Conditions)):

7. (a) Issue Date: []
 (b) Interest Commencement Date: [/Issue Date/Not Applicable]
8. Maturity Date: [[]/Interest Payment Date falling in or nearest to []]
9. Interest Basis: [[] per cent. Fixed Rate]
 [[[] month [LIBOR/EURIBOR]] +/- [] per cent. Floating Rate]
 [Zero Coupon]
 [Index Linked Interest]
 (see paragraph [14]/[15]/[16]/[17] below)
10. Redemption Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [] per cent. of their nominal amount] [Index Linked Redemption]
11. Change of Interest Basis: [] [Not Applicable]
12. Put/Call Options: [Investor Put]
 [Issuer Call]
 [Not Applicable]
 [Redemption for Index Reasons – Condition 5.6 applies]
 (see paragraph [19]/[20] below)
13. [Date [Board] approval[s] for issuance of Notes and Guarantee obtained: [] [and [], respectively]]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (a) Rate(s) of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly/[]] in arrear on each Interest Payment Date]
- (b) Interest Payment Date(s): [[] in each year commencing on [] up to and including the Maturity Date [subject to adjustment for payment purposes only in accordance with the Business Day Convention specified in paragraph 14(g)]]
- (c) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [] per Calculation Amount on each Interest Payment Date
- (d) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []] [Not Applicable]

- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[] in each year][Not Applicable]
- (g) Business Day Convention: [Modified Following Business Day Convention
[[unadjusted]/[adjusted]]/ Not Applicable]
- (h) Additional Business Centre(s): []/[Not Applicable]
15. Floating Rate Note Provisions [Applicable/Not Applicable]
- (a) Specified Period(s)/Specified Interest Payment Dates: [] [, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/
Preceding Business Day Convention][Not Applicable]
- (c) Additional Business Centre(s): []
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): []
- (f) Screen Rate Determination:
- Reference Rate: [] month [LIBOR/EURIBOR]
 - Interest Determination Date(s): []
 - Relevant Screen Page: []
- (g) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (h) Linear Interpolation: [Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (i) Margin(s): [+/-] [] per cent. per annum
- (j) Minimum Rate of Interest: [] per cent. per annum
- (k) Maximum Rate of Interest: [] per cent. per annum
- (l) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual]
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360

- [30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
30E/360 (ISDA)]
16. Zero Coupon Note Provisions [Applicable/Not Applicable]
- (a) Accrual Yield: [] per cent. per annum
- (b) Reference Price: []
- (c) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 7.5(b) and 7.8 apply]
17. Index Linked Interest Note Provisions [Applicable/Not Applicable]
- (a) Rate of Interest: []
- (b) Party responsible for calculating the Rate(s) of Interest and Interest Amount (if not the Calculation Agent): [] [Not Applicable]
- (c) Provisions for determining Interest Amount where calculation by reference to Index and/or Formula is impossible, impracticable or otherwise disrupted: Condition(s) 5.3 to [5.4/5.5] apply
- (d) Specified Period(s)/Specified Interest Payment Dates: []
- (e) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (f) Additional Business Centre(s): [] [Not Applicable]
- (g) Day Count Fraction: [Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
30E/360
30E/360 (ISDA)]
(See Condition 3 for alternatives)
- (h) Minimum Indexation Factor: [Not Applicable][]
- (i) Maximum Indexation Factor: [Not Applicable][]
- (j) Limited Indexation Month(s) or period for calculation of Limited Indexation Factor: [] [Not Applicable]

- (k) Base Index Figure: []
- (l) "Index" or "Index Figure" (Condition 5.1): [Sub-paragraph [(i)/(ii)/(iii)] of the definition of "Index" or "Index Figure" as set out in Condition 5.1 shall apply] [Not Applicable]
- (m) Minimum Rate of Interest: [[] per cent. per annum][Not Applicable]
- (n) Maximum Rate of Interest: [[] per cent. per annum][Not Applicable]
- (o) Reference Gilt: [] [Not Applicable]
- (p) Calculation Agent: []
- (q) Condition 5.5 applicable: [Yes][No]

PROVISIONS RELATING TO REDEMPTION

- 18. Notice periods for Condition 7.2: Minimum period: [30] [] days
Maximum period: [60] [] days
- 19. Issuer Call: [Applicable/Not Applicable]
 - (a) Optional Redemption Date(s): []
 - (b) Optional Redemption Amount: [] per Calculation Amount
 - (c) If redeemable in part:
 - (i) Minimum Redemption Amount: []
 - (ii) Maximum Redemption Amount: []
 - (d) Notice periods: Minimum period: [15] [] days
Maximum period: [30] [] days
- 20. Investor Put: [Applicable/Not Applicable]
 - (a) Optional Redemption Date(s): []
 - (b) Optional Redemption Amount: [] per Calculation Amount
 - (c) Notice periods: Minimum period: [15] [] days
Maximum period: [30] [] days
- 21. Final Redemption Amount: [] per Calculation Amount
- 22. In cases where the Final Redemption Amount is Index-Linked: [Not Applicable]
 - (a) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): [] [Not Applicable]
 - (b) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula: The final Redemption Amount per Note shall be its outstanding nominal amount adjusted in accordance with Condition 5
 - (c) Provisions for determining Final Condition(s) 5.3 to [5.4/5.5] shall apply

Redemption Amount where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:

- (d) Reference Gilt: [] [Not Applicable]
- (e) Calculation Agent: []
- (f) Notice Periods (Condition 5.6): Minimum Period: [30] [] days
Maximum Period: [60] [] days
- (g) Condition 5.5 applicable: [Yes][No]

23. Early Redemption Amount payable on redemption for taxation reasons, redemption for index reasons (if applicable) or an event of default: [] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:

- (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event]
[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
[Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]
- (b) New Global Note: [Yes][No]

25. Additional Financial Centre(s): [Not Applicable/[]]

26. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on the exchange into definitive form, more than 27 coupon payments are still to be made]/[No]

THIRD PARTY INFORMATION

[[] has been extracted from []. The Issuer and each Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

By:

Duly authorised

[Signed on behalf of Places for People Homes Limited:

By:.....

Signed on behalf of Places for People Living+ Limited:

By:

Duly authorised]

Signed on behalf of Cotman Housing Association
Limited:

By:

Duly authorised

Duly authorised

Signed on behalf of Derwent Housing Association
Limited:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (a) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and admitted to the Official List of the FCA with effect from []/[]
- [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and admitted to the Official List of the FCA with effect from []/[]
- (b) Estimate of total expenses related to admission to trading: []

2. RATINGS

- Ratings: [The Notes to be issued [have been][are expected to be] rated [[] by Moody's Investors Service Limited]] [and] [[] by S&P Global Ratings Europe Limited]] [and] [[] by Fitch Ratings Limited]]
- [The Notes to be issued are not rated.]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of [*insert relevant fee disclosure*]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer./The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantors and their affiliates in the ordinary course of business.]

4. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- [(a)] Reasons for the offer: []
- [(b)] Estimated net proceeds: []
- [(c)] Estimated total expenses: []]

5. YIELD (*Fixed Rate Notes only*)

Indication of yield: []

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. HISTORIC INTEREST RATES (*Floating Rate Notes only*)

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].

7. PERFORMANCE OF INDEX AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Index Linked Notes only*)

- (a) Name of underlying index: U.K. Retail Prices Index (RPI) (all items) published by the Office for National Statistics
- (b) Information about the index, its volatility and past and future: Information on RPI can be found at www.ons.gov.uk

performance can be obtained from:

8. OPERATIONAL INFORMATION

- (a) ISIN: []
- (b) Common Code: []
- (c) CFI: [[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (d) FISN: [[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (e) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/[]]
- (f) Delivery: Delivery [against/free of] payment
- (g) Names and addresses of additional Paying Agent(s) (if any): []
- (h) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

9.

DISTRIBUTION

- (a) Method of distribution [Syndicated][Non-syndicated]
- (b) If syndicated, names of Managers: [Not Applicable][]
- (c) Date of [Subscription] Agreement: [Not Applicable][]
- (d) Stabilisation Manager(s) (if any): [Not Applicable][]
- (e) If non-syndicated, name of relevant Dealer: [Not Applicable][]
- (f) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA Not Applicable]
- (g) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
- (h) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]

TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The term **Issuer** as used in these Terms and Conditions refers to the Issuer specified as such in the applicable Final Terms in relation to a particular Tranche of Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to the "Applicable Final Terms" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by the Issuer specified as such in the applicable Final Terms (as defined below), being either Places for People Homes Limited, Places for People Capital Markets plc or Places for People Treasury plc (the relevant Issuer so specified being the **Issuer**) constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 20 July 2007 made between Places for People Homes Limited and Prudential Trustee Company Limited (the **Trustee**, which expression shall include any successor as Trustee). The payment of all amounts in respect of the Notes issued by Places for People Capital Markets plc and Places for People Treasury plc has been jointly and severally guaranteed by Places for People Homes Limited, Places for People Living+ Limited, Cotman Housing Association Limited and Derwent Housing Association Limited (each a **Guarantor** and, together, the **Capital Markets/Treasury Guarantors**) pursuant to the Trust Deed. The payment of all amounts in respect of Notes issued by Places for People Homes Limited has been jointly and severally guaranteed by Places for People Living+ Limited, Cotman Housing Association Limited and Derwent Housing Association Limited (each a **Guarantor** and, together, the **Homes Guarantors**) pursuant to the Trust Deed.

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note; and
- (c) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of an amended and restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 30 June 2017 and made between, among others, the Issuer, the Guarantors, the Trustee, The Bank of New York Mellon, London Branch as issuing and principal paying agent and agent bank (the **Agent**, which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents).

Interest bearing definitive Notes have interest coupons (**Coupons**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions (the **Conditions**). References to the **applicable Final Terms** are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The Trustee acts for the benefit of the holders for the time being of the Notes (the **Noteholders**, which expression shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the Trustee being at 16 July 2019 at 10 Fenchurch Avenue, London EC3M 5AG and at the specified office of each of the Paying Agents. If the Notes are to be admitted to trading on the regulated market of the London Stock Exchange, the applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory information service. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed, the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Final Terms provided that the minimum denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note or a combination of any of the foregoing, depending upon the Interest/Redemption Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, the relevant Guarantors, the Paying Agents and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Note and/or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the relevant Guarantors, the Paying Agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the relevant Guarantors, any Paying Agent and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant

Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms or as may otherwise be approved by the Issuer, the Agent and the Trustee.

2. STATUS OF THE NOTES AND THE GUARANTEES

2.1 The Notes and Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

2.2 Status of the Guarantees

The payment of principal and interest in respect of the Notes issued by Places for People Capital Markets plc and Places for People Treasury plc and all other moneys payable by Places for People Capital Markets plc and Places for People Treasury plc under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed, on a joint and several basis, by the Capital Markets/Treasury Guarantors in the Trust Deed (the **Capital Markets/Treasury Guarantee**). The payment of principal and interest in respect of the Notes issued by Places for People Homes Limited under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed, on a joint and several basis, by the Homes Guarantors in the Trust Deed (the **Homes Guarantee** and, together with the Capital Markets/Treasury Guarantee, the **Guarantees** and each a **Guarantee**). The obligations of each Guarantor under the relevant Guarantee are direct, unconditional, unsubordinated and unsecured obligations of such Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of such Guarantor, from time to time outstanding.

3. INTEREST

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Index Linked Interest Notes.

3.1 Interest on Fixed Rate Notes

This Condition 3.1 applies to Fixed Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 3.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date (subject to adjustment as described below).

If the Modified Following Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date (or other date) should occur or (y) if any Interest Payment Date (or other date) would otherwise fall on a day which is not a Business Day (as defined in Condition 3.2(a)), then such Interest Payment Date (or other date) shall be

postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other date) shall be brought forward to the immediately preceding Business Day. Unless the applicable Final Terms specify that the Business Day Convention is "adjusted", any such adjustment to an Interest Payment Date (or other date) shall not affect the amount of interest payable in respect of a Fixed Rate Note and, for the purposes of the determination of any amount in respect of interest and the applicable Day Count Fraction, the number of days in the relevant period shall be calculated on the basis that no adjustment has been made to the relevant Interest Payment Date (or other date).

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (b) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 3.1:

- (a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

- (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

3.2 Interest on Floating Rate Notes and Index Linked Interest Notes

This Condition 3.2 applies to Floating Rate Notes and Index Linked Interest Notes only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and index linked interest and must be read in conjunction with this Condition 3.2 for full information on the manner in which interest is calculated on Floating Rate Notes and Index Linked Interest Notes. In particular, in the case of Floating Rate Notes, the applicable Final Terms will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Agent, the Margin, any maximum or minimum interest rates (if applicable) and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page. In particular, in the case of Index Linked Interest Notes, the applicable Final Terms will identify the Specified Interest Payment Dates, any Specified Period, the Business Day Convention, the Minimum/Maximum Indexation Factors and other provisions pursuant to Condition 5.

(a) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 3.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than TARGET 2 System) specified in the applicable Final Terms;
- (b) if TARGET 2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System (the **TARGET2 System**) is open; and
- (c) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(b) Rate of Interest for Floating Rate Notes

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity and Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(ii) **Screen Rate Determination for Floating Rate Notes**

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(A) the offered quotation; or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR or EURIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

(c) **Rate of Interest for Index Linked Interest Notes**

The Rate of Interest payable from time to time in respect of Index Linked Interest Notes shall be determined in accordance with Condition 5 and in the manner specified in the applicable Final Terms.

(d) **Minimum Rate of Interest and/or Maximum Rate of Interest and Rounding**

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which

shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency which is available as legal tender in the country of such currency.

(e) **Determination of Rate of Interest and calculation of Interest Amounts**

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 3.2:

- (i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;
"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

(f) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided, however, that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as the Issuer shall determine as appropriate for such purposes.

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(g) Notification of Rate of Interest and Interest Amounts

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the relevant Guarantors, the Trustee and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(h) Determination or Calculation by Trustee

If for any reason at any relevant time the Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph (b)(i) or (ii) above or as otherwise specified in the applicable Final Terms, as the case may be, and in each case in accordance with paragraph (e) and (f) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent or the Calculation Agent, as applicable.

(i) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3.2, whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the relevant Guarantors, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the relevant Guarantors, the Noteholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

3.3 Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders as provided in the Trust Deed.

4. FINANCIAL COVENANT

4.1 Financial Covenant

For so long as any of the Notes remain outstanding (as defined in the Trust Deed), each of Places for People Homes Limited, Places for People Living+ Limited, Cotman Housing Association Limited and Derwent Housing Association Limited (together, the **Financial Covenantors**) shall ensure that the Aggregate Net Available Properties Value shall not be less than 1.1 times the Aggregate Total Unsecured Debt.

For the purposes of this Condition 4.1:

Applicable Valuation Basis means a market value subject to tenancies basis, as defined in "The Red Book – Royal Institution of Chartered Surveyors Appraisal and Valuation Standards" (as may be amended or supplemented from time to time), taking into account any restrictions of which the Valuer is aware, or such other valuations basis as the Valuer might consider appropriate at any time;

Aggregate Fixed Asset Investments and Stock & WIP means the aggregate amount as shown in the most recent audited financial statements of each Financial Covenantor for such items;

Aggregate Net Available Properties Value means the Aggregate Total Properties Value less the aggregate of Aggregate Total Secured Debt and Aggregate Public Sector Grant;

Aggregate Public Sector Grant means the aggregate amount of social housing grant and other capital grants (howsoever described or delineated) received by the Financial Covenantors and not having become repayable as shown in the most recent audited financial statements of each Financial Covenantor;

Aggregate Total Properties Value means such amount as represents the aggregate of the total value, as at the last day of the financial year of the Financial Covenantors of each of the properties then owned by a Financial Covenantor (each determined in accordance with the Applicable Valuation Basis) as confirmed to the Financial Covenantors by the Valuer (a copy of which confirmation shall be delivered to, but need not be addressed to, the Trustee together with each certificate referred to in Condition 4.2) and the Aggregate Fixed Asset Investments and Stock & WIP;

Aggregate Total Secured Debt means the aggregate of all secured borrowings of each Financial Covenantor (excluding borrowings from another Financial Covenantor), as at the last day of each financial year of each Financial Covenantor, calculated by reference to the audited financial statements of each Financial Covenantor for such financial year;

Aggregate Total Unsecured Debt means the aggregate of all unsecured borrowings of each Financial Covenantor (excluding borrowings from another Financial Covenantor), as at the last day of each financial year of each Financial Covenantor, calculated by reference to the audited financial statements of each Financial Covenantor for such financial year; and

Valuer means any firm of external or independent professional valuers as may be from time to time be appointed by the Financial Covenantors with the prior approval of the Trustee; and

all values and amounts shall be determined in Sterling. Where it is necessary for any purpose to convert any sum from one currency into Sterling it shall (unless otherwise required by law) be converted at such rate or

rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be agreed by the Financial Covenantors with the prior approval of the Trustee.

4.2 Compliance Certificate

A certificate addressed to the Trustee by two authorised signatories of each Financial Covenantor (or two authorised signatories of the Issuer on their behalf) as to any of the following may, in the absence of manifest error, be relied on by the Trustee and, if so relied upon, shall be conclusive and binding on the Issuer, the Financial Covenantors and the Noteholders and Couponholders:

- (i) compliance with the covenant in Condition 4.1; and
- (ii) any calculation under Condition 4.1; and
- (iii) any amount or quantification of any defined term under Condition 4.1,

provided the requirement for a confirmation of the Valuer as provided under the definition of Aggregate Total Properties Value is met.

The Financial Covenantors will deliver such a certificate (together with the confirmation of the Valuer referred to in the definition of Aggregate Total Properties Value) to the Trustee within 210 days of the end of each financial year of the Financial Covenantors.

The Trustee may accept and rely on the confirmation of the Valuer whether or not any such confirmation or any document entered into by the Trustee and the Valuer in connection therewith contains any limit on liability of the Valuer.

5. INDEXATION

This Condition 5 is applicable only if the applicable Final Terms specifies the Notes as Index Linked Interest Notes and/or Index Linked Redemption Notes (**Index Linked Notes**).

5.1 Definitions

Where the applicable Final Terms specifies the Notes as Index Linked Notes, Conditions 5.1 to 5.6 will apply. For the purposes of Conditions 5.1 to 5.6, unless the context otherwise requires, the following defined terms shall have the following meanings:

Base Index Figure means (subject to Condition 5.3(i)) the base index figure as specified in the applicable Final Terms;

Calculation Agent means the person appointed by the Issuer as calculation agent in relation to a Series of Index Linked Notes and specified in the applicable Final Terms, and shall include any successor calculation agent appointed in respect of such Notes;

Her Majesty's Treasury means Her Majesty's Treasury or any officially recognised party performing the function of a calculation agent (whatever such party's title), on its or its successor's behalf, in respect of the Reference Gilt;

Index or **Index Figure** means, subject as provided in Condition 5.3(i), the U.K. Retail Price Index (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the U.K. Retail Price Index for the purpose of calculating the amount payable on repayment of the Reference Gilt (the **RPI**). Any reference to the Index Figure which is specified in the applicable Final Terms as:

- (i) applicable to a particular month, shall, subject as provided in Conditions 5.3 and 5.5, be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication; or

- (ii) applicable to the first calendar day of any month shall, subject as provided in Conditions 5.3 and 5.5, be construed as a reference to the Index Figure published in the second month prior to that particular month and relating to the month before that of publication; or
- (iii) applicable to any other day in any month shall, subject as provided in Conditions 5.3 and 5.5, be calculated by linear interpolation between (x) the Index Figure applicable to the first calendar day of the month in which the day falls, calculated as specified in sub-paragraph (ii) above and (y) the Index Figure applicable to the first calendar day of the month following, calculated as specified in sub-paragraph (ii) above and rounded to the nearest fifth decimal place;

Index Ratio applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place;

Limited Index Ratio means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date, the Index Ratio for that month or date, as the case may be, (b) in respect of any Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, twelve months prior thereto; and (c) in respect of any other month, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month;

Limited Indexation Date means any date falling during the period specified in the applicable Final Terms for which a Limited Indexation Factor is to be calculated;

Limited Indexation Factor means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, twelve months prior thereto, provided that (a) if such ratio is greater than the Maximum Indexation Factor specified in the applicable Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor specified in the applicable Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

Limited Indexation Month means any month specified in the applicable Final Terms for which a Limited Indexation Factor is to be calculated;

Limited Index Linked Notes means Index Linked Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the applicable Final Terms) applies; and

Reference Gilt means the index-linked Treasury Stock/Treasury Gilt specified as such in the applicable Final Terms for so long as such gilt is in issue, and thereafter such issue of index-linked Treasury Stock/Treasury Gilt determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer (an **Indexation Adviser**).

5.2 Application of the Index Ratio

Each payment of interest (in the case of Index Linked Interest Notes) and principal (in the case of Index Linked Redemption Notes) in respect of the Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or Limited Index Ratio in the case of Limited Index Linked Notes applicable to the month in or date on, as the case may be, which such payment falls to be made and rounded in accordance with Condition 3.2(d).

5.3 Changes in Circumstances Affecting the Index

- (i) Change in base: if at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be, (1) the definition of **Index** and **Index Figure** in Condition 5.1 shall be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date

or month as may have been substituted therefor), and (2) the new Base Index Figure shall be the product of the existing Base Index Figure and the Index Figure for the date on which such substitution takes effect, divided by the Index Figure for the date immediately preceding the date on which such substitution takes effect.

- (ii) Delay in publication of Index: if sub-paragraph (i) of the definition of Index Figure is applicable: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the **relevant month**) before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the **date for payment**), the Index Figure applicable to the month in which the date for payment falls shall be (1) such substitute index figure (if any) as the Indexation Adviser considers to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 5.3(i)) before the date for payment.
- (iii) Delay in publication of Index: if sub-paragraph (ii) and/or (iii) of the definition of Index Figure is applicable: if the Index Figure relating to any month (the **calculation month**) which is required to be taken into account for the purposes of the determination of the Index Figure for any date is not published on or before the fourteenth business day before the date on which such payment is due (the **date for payment**), the Index Figure applicable for the relevant calculation month shall be (1) such substitute index figure (if any) as the Indexation Adviser considers to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Trustee (acting solely on the advice of the Indexation Adviser)) or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 5.3(i)) before the date for payment.

5.4 Application of Changes

Where the provisions of Condition 5.3(ii) or Condition 5.3(iii) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, an Index Figure having been applied pursuant to Condition 5.3(ii)(2) or Condition 5.3(iii)(2), the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

- (i) in relation to a payment of principal (in the case of Index Linked Redemption Notes) or interest (in the case of Index Linked Interest Notes) in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced, as the case may be, by an amount equal to the shortfall or excess, as the case may be, of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 5.3(ii)(2) or Condition 5.3(iii)(2) below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and
- (ii) in relation to a payment of principal (in the case of Index Linked Redemption Notes) or interest (in the case of Index Linked Interest Notes) upon final redemption, no subsequent adjustment to amounts paid will be made.

5.5 Cessation of, or Fundamental Changes to, the Index

If (i) the Trustee has been notified by the Calculation Agent that the Index has ceased to be published or (ii) only if Condition 5.5 is specified in the Final Terms as applicable to the Notes, any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental change which would, in the opinion of (A) the Issuer be materially prejudicial to the interests of the Issuer, or (B) the Trustee (acting solely on the advice of the Indexation Adviser), be materially prejudicial to the interests of the Noteholders, the Issuer will give written notice of such occurrence to the Trustee in the case of (A) or the Trustee will give written notice of such occurrence to the Issuer in the case of (B), and the Issuer and the Trustee (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave both the Issuer and the Noteholders in substantially a no better and no worse position than they would have been had the Index not ceased to be published or, if applicable, the relevant fundamental change not been made.

If the Issuer and the Trustee (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 Business Days following the giving of notice as mentioned in paragraph (i), a bank or other person in London shall be appointed by the Issuer and the Trustee or, failing agreement on and the making of such appointment within 20 Business Days following the expiry of the 20 day period referred to above, by the Trustee (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the **Expert**), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the Noteholders in substantially a no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Trustee in connection with such appointment shall be borne by the Issuer and neither the Expert nor the Indexation Adviser shall be liable to the Noteholders for determinations made by it pursuant to this Condition 5.

The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Trustee (acting solely on the advice of the Indexation Adviser) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Trustee (acting solely on the advice of the Indexation Adviser) and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 14 of such amendments as promptly as practicable following such notification.

5.6 Redemption for Index Reasons

If either (i) the Index Figure for three consecutive months is required to be determined on the basis of an Index Figure previously published as provided in Condition 5.3(ii)(2) and the Trustee has been notified by the Calculation Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt, and (in either case) no amendment or substitution of the Index shall have been advised by the Indexation Adviser to the Issuer and such circumstances are continuing, the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Trustee and the Noteholders (or such other notice period as may be specified in the applicable Final Terms) in accordance with Condition 14, redeem all, but not some only, of the Notes at their Early Redemption Amount referred to in Condition 6.6 below together (if appropriate) with interest accrued to (but excluding) the date of redemption (in each case adjusted in accordance with Condition 5.2).

6. PAYMENTS

6.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto.

6.2 Presentation of definitive Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 6.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia)).

Fixed Rate Notes in definitive form (other than Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Index Linked Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

6.3 Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case

may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

6.4 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the relevant Guarantors will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the relevant Guarantors to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the relevant Guarantors, adverse tax consequences to the Issuer or the relevant Guarantors.

6.5 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 9) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
 - (i) in the case of Notes in definitive form only, in the relevant place of presentation; and
 - (ii) in each Additional Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (b) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open; and
- (c) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

6.6 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7.5); and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

7. REDEMPTION AND PURCHASE

7.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

7.2 Redemption for tax reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note), on giving not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Trustee and the Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 or the relevant Guarantors have become obliged to make payment under or pursuant to the terms of the relevant Guarantee and in making payment themselves would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer or, as the case may be, the relevant Guarantors taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the relevant Guarantors would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee to make available at its specified office to Noteholders (i) a certificate signed by two authorised signatories of the Issuer or, as the case may be, two authorised signatories of each relevant Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will or, as the case may be, the relevant Guarantors have or will become obliged to pay such additional amounts as a result of such change or

amendment and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 7.2 will be redeemed at their Early Redemption Amount referred to in Condition 7.5 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

7.3 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 14 (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption.

7.4 Redemption at the option of the Noteholders (Investor Put)

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than the minimum nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

7.5 Early Redemption Amounts

For the purpose of Conditions 5.6 and 7.2 above and Condition 10:

- (a) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount; and

- (b) each Zero Coupon Note will be redeemed at an amount (the **Amortised Face Amount**) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

RP means the Reference Price;

AY means the Accrual Yield expressed as a decimal; and

y is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

7.6 Purchases

The Issuer, any relevant Guarantor or any member of the Homes Group may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, such relevant Guarantor or such other member of the Homes Group, as the case may be, surrendered to any Paying Agent for cancellation.

In these Conditions the **Homes Group** means Places for People Homes Limited, its subsidiaries (if any) and any associate (as defined in Section 271 of the Housing and Regeneration Act 2008) of Places for People Homes Limited.

7.7 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 7.6 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

7.8 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 7.1, 7.2, 7.3 or 7.4 above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 7.5(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 14.

8. TAXATION

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer or the relevant Guarantors will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the relevant Guarantors will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) presented for payment in the United Kingdom; or
- (b) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with the United Kingdom other than the mere holding of such Note or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6.5).

As used herein the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

9. PRESCRIPTION

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6.2 or any Talon which would be void pursuant to Condition 6.2.

10. EVENTS OF DEFAULT AND ENFORCEMENT

10.1 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), (but in the case of the happening of any of the events described in paragraphs (b) to (d) (other than the winding up or dissolution of the Issuer or any relevant Guarantor) and (e) to (i) inclusive below, only if the Trustee shall have certified in writing to the Issuer and the relevant Guarantors that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Trust Deed if any of the following events (each an **Event of Default**) shall occur:

- (a) if default is made in the payment in the Specified Currency of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal and 14 days in the case of interest; or

- (b) if the Issuer or any relevant Guarantor fails to perform or observe any of its other obligations under the Conditions or the Trust Deed and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by the Trustee on the Issuer or the relevant Guarantor, as the case may be, of notice requiring the same to be remedied; or
- (c) (A) any other present or future indebtedness of the Issuer or any relevant Guarantor for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (C) the Issuer or any relevant Guarantor fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds £15,000,000 or its equivalent (as reasonably determined by the Trustee) and provided further, for the avoidance of doubt, that the amounts mentioned in this paragraph (c) shall exclude the amount of any Housing Grant (as defined below) except for any Housing Grant which is or becomes due and payable to the relevant grant making body or organisation; or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any relevant Guarantor save for the purposes of reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or
- (e) if the Issuer or any relevant Guarantor ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution, or the Issuer or any relevant Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (f) if (A) proceedings are initiated against the Issuer or any relevant Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any relevant Guarantor or, as the case may be, in relation to all or substantially all of the Issuer's or any relevant Guarantor's undertaking or assets, or an encumbrancer takes possession of all or substantially all of the Issuer's or any relevant Guarantor's undertaking or assets, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the Issuer's or any relevant Guarantor's undertaking or assets and (B) in any case (other than the appointment of an administrator) is not discharged within 14 days; or
- (g) if the Issuer or any relevant Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors);
- (h) if, without the prior written consent of the Trustee (such consent not to be unreasonably withheld), Places for People Homes Limited or any relevant Guarantor shall cease, or shall take any formal action, or shall make any public announcement of its intention to cease, to be a Registered Provider of Social Housing whose principal business is carried on in the United Kingdom;

- (i) with respect to any Notes issued by Places for People Capital Markets plc or Places for People Treasury plc, if the Issuer ceases to be a subsidiary wholly owned by Places for People Group Limited (the **Group Parent**); or
- (j) with respect to any Notes issued by Places for People Capital Markets plc or Places for People Treasury plc, if the Capital Markets/Treasury Guarantee ceases to be, or is claimed by the Issuer or any relevant Guarantor not to be, in full force and effect; and
- (k) with respect to any Notes issued by Places for People Homes Limited, if the Homes Guarantee ceases to be, or is claimed by the Issuer or any relevant Guarantor not to be, in full force and effect.

As used in this Condition:

Housing Grant means a grant payable to Places for People Homes Limited or any relevant Guarantor under Section 50 of the Housing Act 1988 (or any statutory provision which Section 50 replaced), Section 18, 20 or 21 of the Housing Act 1996, Section 19 or 35 of the Housing and Regeneration Act 2008 or any grant replacing or substituted for such from time to time (**SHG**) or any other grant, loan or subsidy (whether taking the form of money or money's worth including, without limitation, land) provided by:

- (a) a body which is a public sector authority as defined in Section 573 of the Housing Act 1985 other than a Registered Provider of Social Housing;
- (b) a development corporation as defined by Sections 4(c) or 4(d) of the Housing Act 1985;
- (c) a District Health Authority as defined in Section 1 of the Health Services Act 1980;
- (d) a Housing Action Trust within the meaning of the Housing Act 1988;
- (e) any other body agreed between Places for People Homes Limited or the relevant Guarantor and the Trustee from time to time; or
- (f) any other body where the grant, loan or subsidy is, in the reasonable opinion of Places for People Homes Limited's or the relevant Guarantor's auditors equivalent to any of the foregoing,

but in each case no more onerous than a SHG in its terms for repayment in all material respects and ranking similarly in point of security in the winding up of Places for People Homes Limited or such relevant Guarantor;

Registered Provider of Social Housing means a person registered as a provider of social housing with the Regulator pursuant to the Housing and Regeneration Act 2008 (as amended from time to time) (which, for the avoidance of doubt, includes the Guarantors) or any other statutory or legislative provision which is deemed, in the reasonable opinion of the Trustee, to replace such Act (or any successor thereto); and

Regulator means the Regulator of Social Housing being the governmental body which regulates housing associations in England and, in the event such body ceases to exist, any public sector body which, in the reasonable opinion of the Trustee (after consultation with the relevant Guarantor) is the successor or otherwise equivalent thereto.

10.2 Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer and/or any relevant Guarantor as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer or any relevant Guarantor unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

11. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12. PAYING AGENTS

The names of the initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer and any relevant Guarantor is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (a) there will at all times be an Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (c) in so far as the Issuer or any relevant Guarantor would be obliged (but for the provisions of Condition 8(a)) to pay additional amounts pursuant to Condition 8 upon presentation of the Notes or Coupons (as the case may be) for payment in the United Kingdom, there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the United Kingdom.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.4. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 14.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer, the relevant Guarantors and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

13. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

14. NOTICES

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such websites the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer, any relevant Guarantor or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than three quarters in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one quarter in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting and whether or not they voted on such Extraordinary Resolution, and on all Couponholders.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes, the Trust Deed or the Agency Agreement, or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Trustee, is proven. Any such modification shall be binding on the Noteholders, and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or

Couponholder be entitled to claim, from the Issuer, any relevant Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 8 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, agree with the Issuer, to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, Coupons and the Trust Deed of another company, registered society or other entity, being a member of the Homes Group, subject to (a) in the case of Notes issued by Places for People Homes Limited, such Notes being unconditionally and irrevocably jointly and severally guaranteed by the Homes Guarantors or, in the case of Notes issued by Places for People Capital Markets plc or Places for People Treasury plc, such Notes being unconditionally and irrevocably jointly and severally guaranteed by the Capital Markets/Treasury Guarantors, (b) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (c) certain other conditions set out in the Trust Deed being complied with.

16. INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER AND/OR ANY GUARANTOR

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and any Guarantor and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, any Guarantor and/or any other member of the Group, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

17. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19. GOVERNING LAW

The Trust Deed, the Agency Agreement, the Notes, and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, and the Coupons are governed by, and shall be construed in accordance with, English law.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by (i) Places for People Homes Limited for its general corporate purposes; (ii) Places for People Capital Markets plc by on-lending to Places for People Homes Limited to be used by Places for People Homes Limited for its general corporate purposes; and (iii) Places for People Treasury plc by on-lending to any Guarantor (subject to certain limited exceptions) to be used by such Guarantor for its general corporate purposes. If, in respect of any particular issue of Notes which are derivative securities for the purposes of Article 15 of Commission Regulation No 809/2004 implementing the Prospectus Directive (as defined herein), there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

THE PLACES FOR PEOPLE GROUP

Places for People Group Limited (the **Group Parent**) is the parent company of the Places for People group of companies (the **Group**).

The Group is one of the largest property management and development groups in the UK, comprising 198,640 homes (as at 31 March 2018) either owned or managed in a mixture of different tenures and an asset base at a cost of £4.5 billion. With 6,041 full-time equivalent employees (average for the year to 31 March 2018), the Group provides a diverse range of products and services to create high quality, safe and sustainable communities. The Group provides a range of housing solutions, specialist care and support services, employment and training opportunities, financial services, regeneration master planning and leisure management services.

The Group consists of six Registered Providers of Social Housing in England, one Registered Social Landlord in Scotland and a number of other operating subsidiaries which are pursuing complementary activities. The Registered Providers of Social Housing and the Registered Social Landlord are run as businesses and any surplus which may result from their operations is reinvested in the Group. The Group provides central services to the companies within the Group. The Board of Directors of the Group Parent (the **Group Board**) sets strategy across the Group and approves the business plans of the operating subsidiaries, including that of the Issuers and the Guarantors.

Housing Stock for the Group as at 31 March 2018

Social housing units managed	66,844
Non-social housing units managed	130,060
Housing owned but managed by another body	1,736
Total housing owned or managed	198,640

As at the date of this Offering Circular, other companies in the Group include:

- * Places for People Developments Limited;
- * Places for People Scotland Limited;
- * Places Impact;
- * Chorus Homes Group Limited;
- * Castle Rock Edinvar Housing Association Limited;
- * Millwood Designer Homes Limited;
- * Places for People Financial Services Limited;
- * Emblem Homes Limited;
- * Places for People Landscapes Limited;
- * PFPL (Holdings) Limited;
- * Places for People Leisure Limited;
- * Zero C Group (2008) Limited;
- * Touchstone Corporate Property Services Limited;
- * Residential Management Group Limited;
- * Places for People Finance Plc;
- * Places for People Ventures Limited; and
- * Places for People Ventures Operations Limited.

Administrative, Management and Supervisory Bodies

The Group operates in most parts of England through a functional management structure designed to promote effective service delivery and accountability at a local level.

The Group Board is responsible for setting strategies and policies for the whole Group and co-ordinating the Group's activities through agreements with the subsidiaries. The Group Board exercises control over Places for People Homes Limited and the other Guarantors through an Independence and Responsibility Agreement, Service Level Agreement and power granted to the Group Parent and the other Guarantors in the Rules of Places for People Homes Limited and such other Guarantors. The Group Board has responsibility for the operational performance of the Group's regulated businesses including that of Places for People Homes Limited and the other Guarantors.

The names and positions of the current members of the Group Board and such members' other positions within the Group and their principal activities outside the Group, where these are significant with respect to the Group, are as follows:

Name	Position	Other positions within the Group and principal activities outside the Group
Mr C Phillips	Group Chairman	Chairman of Londonewcastle Group Limited Twenty eight other Group Directorships
Mr D Cowans	Group Chief Executive (PfP)	One hundred and six other Group Directorships
Mr M Brodtman	Non-Executive Director	UK Operating Committee Member and Executive Board Member of CBRE Global Valuation Professional Board Member of the Royal Institute of Chartered Surveyors Four other Group Directorships
Mr A Cleal	Non-Executive Director	Chair of the Places for People Ventures board One other Group Directorship
Mr P Egan	Group Executive Director, Affordable Housing	Six other Group Directorships
Mr N Hopkins	Non-Executive Director	Finance Director, Abbeyfield Three other Group Directorships
Mr A Hussain	Non-Executive Director	Director Gladstone Group Limited Two other Group Directorships
Mr G Kitchen	Non-Executive Director	Non-Executive Director of Invesco Perpetual Select Trust plc and The Mercantile Investment Trust plc Five other Group Directorships
Mr J Lloyd	Non-Executive Director	Non-Executive Chairman of Reform Energy plc and Mulgrave Property Group Four other Group Directorships
Mr C Martin	Group Company Secretary and Legal Services Director	Two other Group Directorships
Ms M Parsons	Group Executive Director, Placemaking & Regeneration	Trustee of the Town and County Planning Association Six other Group Directorships

Mr G Waddell	Non-Executive Director	Chair of Castle Rock Edinvar Housing Association Limited Three other Group Directorships
Mr A Winstanley	Group Executive Director, Finance	Fifty one other Group Directorships

The business address for all members of the Group Board is 80 Cheapside, London EC2V 6EE.

There are no potential conflicts of interest between any duties to the Group of the members of the Group Board and their private interests and/or duties.

Share Capital and Major Shareholders

As at the date of this Offering Circular, the Group Parent is a company limited by guarantee without shareholders. There are 8 members and the maximum amount required to be contributed by each member to the funds of the Group Parent is £1. The individual members are Mr C Phillips, Mr A Cleal, Mr M Brodtman, Mr N Hopkins, Mr G Kitchen, Ms L Lackey and Mr J Lloyd. There is one corporate member which is Castle Rock Edinvar Housing Association Limited. None of the members holds an interest of more than 25 per cent. Membership may not be sold or transferred. Where membership is held by virtue of being a non-executive director, membership is forfeited when the directorship is terminated. There is no distinction between the voting rights of the individual members and the corporate member. These arrangements have the consequence that the Group Parent is not financed through funds raised through its members.

Organisational Structure and Shareholding

The Group Parent is the ultimate parent company of the Group.

Corporate Governance

The Group Board is responsible for maintaining and reviewing the Group's system of internal control. The Group Audit & Risk Committee is responsible to the Group Board for monitoring this system and reporting on its effectiveness. Any such system can provide reasonable but not absolute assurance against material misstatement or loss, and the development of the system is a continuing process.

The Executive Strategic Risk Management & Value for Money Group monitors and steers the development and implementation of enhancements to the risk management processes and reports to the Audit & Risk Committee and Group Board as appropriate. Key tasks for the Strategic Risk Management & Value for Money Group are overseeing the development of risk policy together with the review and refining of the Risk Management Framework and associated risk maps. The Strategic Risk Management & Value for Money Group also scenario tests key risks and monitors adherence to the risk management processes. The Strategic Risk Management & Value for Money Group comprises the Group Executive and a number of senior managers.

The Group Board believes that, for the year ended 31 March 2018, the Group had in place the frameworks required to comply with the requirements of the regulatory framework operated by the Regulator of Social Housing. The Group Board is also of the view that the Group complies with the UK Corporate Governance Code (save for certain provisions that concern only companies with shares traded on an exchange).

The overall internal control framework comprises:

- * framework and structures to ensure that the business remains viable and is managed effectively; and
- * the identification of appropriate assurance mechanisms that can be used to ensure that the internal control framework is operating effectively.

A key element of the framework of control is the submission of a report from the Group Chief Executive to the Group Board in relation to the effectiveness of internal control. A specific requirement of the framework states:

"to help the board review the effectiveness of the Group's system of internal control, its chief executive or executive team should present it with an annual report on the effectiveness of the system. This should refer to the forms of

assurance that the board considers appropriate to obtaining overall assurance on the system. Where there is an Audit Committee in place, the chief executive or executive team may present their report to it."

PLACES FOR PEOPLE CAPITAL MARKETS PLC

Incorporation

Places for People Capital Markets plc is a public limited company incorporated in England and Wales with registered number 7623063 on 5 May 2011 under the Companies Act 2006. Places for People Capital Markets plc is a wholly-owned subsidiary of the Group Parent.

The registered address of Places for People Capital Markets plc is 80 Cheapside, London EC2V 6EE. The telephone number of its registered address is 020 7429 0400. Places for People Capital Markets plc has no subsidiaries.

Principal Activities of Places for People Capital Markets plc

Places for People Capital Markets plc is a special purpose vehicle established for the purpose of issuing Notes under the Programme described in this Offering Circular (and incurring other indebtedness) and lending the proceeds thereof to Places for People Homes Limited to be applied in the achievement of Places for People Homes Limited's objects.

Administrative, Management and Supervisory Bodies

The directors of Places for People Capital Markets plc and their other principal activities are:

Name	Position	Principal Activities outside Places for People Capital Markets plc
Mr D Cowans	Chairman	Group Chief Executive (PFP) One hundred and six other Group Directorships including Group Board membership
Mr A Winstanley	Director	Group Executive Director, Finance Fifty one other Group Directorships including Group Board membership
Mr M Cooper	Director	Seven other Group Directorships

The business address of each of the directors is 80 Cheapside, London EC2V 6EE.

The Secretary of Places for People Capital Markets plc is Mr C Martin whose business address is at 80 Cheapside, London EC2V 6EE.

There are no potential conflicts of interest between any duties to Places for People Capital Markets plc of the directors of Places for People Capital Markets plc and their private interests and/or duties.

Share Capital and Major Shareholders

As at 31 March 2018, the entire issued share capital of Places for People Capital Markets plc comprised 50,000 ordinary shares of £1 each, all of which were fully paid up.

The Group Parent holds all of the shares of Places for People Capital Markets plc directly.

Organisational Structure and Shareholding

Places for People Capital Markets plc is 100 per cent. owned by the Group Parent.

Material Contracts

As at the date of this Offering Circular, save for the loan agreement referred to below, no contract has been entered into by Places for People Capital Markets plc which could result in any member of the Group being under an obligation or entitlement that is material to Places for People Capital Markets plc's ability to meet its obligation to the holders of the Notes.

Places for People Capital Markets plc has on-lent and will continue to on-lend the proceeds from the Notes issued by it (net of fees) to Places for People Homes Limited under a loan agreement entered into between Places for People Capital Markets plc and Places for People Homes Limited (without prejudice to the ability of Places for People Homes Limited itself to issue Notes under the Programme). The terms of the loan agreement are on an arm's length basis and on normal commercial terms for the sector.

Recent Developments

There have been no recent events particular to Places for People Capital Markets plc that are, to a material extent, relevant to the evaluation of Places for People Capital Markets plc's solvency.

PLACES FOR PEOPLE HOMES LIMITED

Incorporation

Places for People Homes Limited (formerly known as North British Housing Limited) is a registered society incorporated with limited liability under the Co-operative and Community Benefit Societies Act 2014 (with registered number 19447R) on 14 May 1970 and is also registered under the Housing and Regeneration Act 2008 (as amended) with the Regulator of Social Housing (with registered number L0659). It is also affiliated to the National Housing Federation.

The registered address of Places for People Homes Limited is 80 Cheapside, London EC2V 6EE. The telephone number of its registered address is 020 7429 0400.

Places for People Homes Limited changed its name from North British Housing Limited to Places for People Homes Limited on 24 May 2006.

Principal Activities of Places for People Homes Limited

Places for People Homes Limited is a subsidiary of the Group Parent. Places for People Homes Limited is the main asset holding company within the Group.

Places for People Homes Limited is a Registered Provider of Social Housing and a not-for-profit organisation whose activities are regulated by the Regulator of Social Housing. Places for People Homes Limited's primary business objectives are to provide a wide range of products and services in the housing sector including the development of new homes at affordable and open market rents, and for open market and affordable residential property sales.

At 31 March 2018, Places for People Homes Limited owned or managed 50,314 homes. The property portfolio includes houses, apartments and bungalows for families, single and elderly people.

Places for People Homes Limited works in partnership with a wide range of statutory and voluntary organisations to deliver a locally responsive service, backed by the expertise and financial strength of the Group. This is demonstrated by the broad scope of Places for People Homes Limited's activities, which include:

- * the management of quality, affordable housing for families, couples and single people and accommodation for students;
- * investment in new development, large scale regeneration and conversion schemes; and
- * low cost home ownership initiatives.

Housing Stock for Places for People Homes Limited as at 31 March 2018

Social housing units managed	36,585
Non-social housing units managed	2,097
Housing owned but managed by another body	11,632
Total housing owned or managed	50,314

Places for People Homes Limited has one wholly owned operating subsidiary, which is Places for People Landscapes Limited.

Places for People Landscapes Limited (formerly North British Landscapes Limited) was incorporated as a private limited company on 19 February 1986 and offers landscaping and maintenance services both internally to the Group and to external customers. As at 31 March 2018, Places for People Landscapes Limited employed 206 members of staff.

Administrative, Management and Supervisory Bodies

The Executive Team responsible for day to day management of Places for People Homes Limited comprises the Group Chief Executive, two Group Directors responsible for Finance and Affordable Housing, and the Group Company Secretary.

The names and positions of the current members of the board and such members' principal activities outside Places for People Homes Limited, where these are significant with respect to Places for People Homes Limited, are as follows:

Name	Position	Principal Activities outside Places for People Homes Limited
Ms L Lackey	Chair	Chair of the Places for People Regulated board Partner, One5Two LLP Ten other Group Directorships including Group Board membership
Mr P Egan	Board Member	Group Executive Director, Affordable Housing Board Member, Cotman Housing Association, Derwent Housing Association and Chorus Homes Group Limited Three other Group Directorships including Group Board membership
Mr M Brodtman	Board Member	Non-Executive Director of the Group Parent UK Operating Committee Member and Executive Board Member of CBRE Global Valuation Professional Board Member of the Royal Institute of Chartered Surveyors Four other Group Directorships including Group Board membership
Mr D Cowans	Board Member	Group Chief Executive (PfP) One hundred and six other Group Directorships including Group Board membership
Mr G Kitchen	Board Member	Non-Executive Director of the Group Parent Non-Executive Director of Invesco Perpetual Select Trust plc and The Mercantile Investment Trust plc Five other Group Directorships including Group Board membership
Mr A Winstanley	Board Member	Group Executive Director, Finance Fifty two other Group Executive Directorships including Group Board membership

The business address for all members of the board is 80 Cheapside, London EC2V 6EE.

The Secretary of Places for People Homes Limited is Mr C Martin whose business address is at 80 Cheapside, London EC2V 6EE.

There are no potential conflicts of interest between any duties to Places for People Homes Limited of the members of the board and their private interests and/or duties.

Share Capital and Major Shareholders

As at 31 March 2018, Places for People Homes Limited had allotted, issued and fully paid 7 ordinary shares of £1 each.

The share capital of Places for People Homes Limited was held by the Group Parent and six individual shareholders: Mr C Phillips, Ms L Lackey, Mr A Cleal, Mr G Kitchen, Mr N Hopkins and Mr M Brodtman.

Places for People Homes Limited's shares carry no right to interest, dividend or bonus. When a shareholder ceases to be a shareholder, his or her share is cancelled and the amount paid up becomes the property of Places for People Homes Limited. Any shareholder must be proposed for shareholder membership by the Group Parent.

Organisational Structure and Shareholding

The Group Parent controls the appointment and removal of shareholders and board members of Places for People Homes Limited.

Material Contracts

As at the date of this Offering Circular, no contract has been entered into by Places for People Homes Limited which could result in any member of the Group being under an obligation or entitlement that is material to Places for People Homes Limited's ability to meet its obligation to the holders of the Notes.

Recent Developments

There have been no recent events particular to Places for People Homes Limited that are, to a material extent, relevant to the evaluation of Places for People Homes Limited's solvency.

PLACES FOR PEOPLE TREASURY PLC

Incorporation

Places for People Treasury plc was established as a private limited company incorporated in England and Wales with registered number 9272235 on 20 October 2014 under the Companies Act 2006 and converted to a public limited company on 13 November 2015. Places for People Treasury plc is a wholly-owned subsidiary of the Group Parent.

The registered address of Places for People Treasury plc is 80 Cheapside, London EC2V 6EE. The telephone number of its registered address is 020 7429 0400. Places for People Treasury plc has no subsidiaries.

Principal Activities of Places for People Treasury plc

Places for People Treasury plc is a special purpose vehicle which has been established as the treasury vehicle of the regulated entities in the Group. The principal activity of Places for People Treasury plc is raising finance and incurring indebtedness through entering into unsecured and secured credit facilities and issuing bonds and notes (including, without limitation, Notes under the Programme described in this Offering Circular). Places for People Treasury plc will on-lend the proceeds thereof to any Guarantors (subject to certain limited exceptions) (and exclusively) to be used by such Guarantor for its general corporate purposes. Places for People Treasury plc has no other business operations.

Administrative, Management and Supervisory Bodies

The directors of Places for People Treasury plc and their other principal activities are:

Name	Position	Principal Activities outside Places for People Treasury plc
Mr C Phillips	Chairman	Group Chairman Chairman of Londonewcastle Group Limited Twenty eight other Group Directorships including Group Board membership
Mr D Cowans	Director	Group Chief Executive (PfP) One hundred and fourteen other Group Directorships including Group Board membership
Mr M Cooper	Director	Seven other Group Directorships
Mr G Kitchen	Director	Non-Executive Director of the Group Parent Non-Executive Director of Invesco Perpetual Select Trust plc and The Mercantile Investment Trust plc Five other Group Directorships including Group Board membership
Ms L Lackey	Director	Chair of the Places for People Regulated board Partner, One5Two LLP Ten other Group Directorships
Mr G Waddell	Director	Non-Executive Director of the Group Parent

Mr A Winstanley Director

Chair of the board of Castle Rock Edinvar
Housing Association Limited

Three other Group Directorships

Group Executive Director, Finance

Forty six other Group Directorships
including Group Board membership

The business address of each of the directors is 80 Cheapside, London EC2V 6EE.

The Secretary of Places for People Treasury plc is Mr C Martin whose business address is at 80 Cheapside, London EC2V 6EE.

There are no potential conflicts of interest between any duties to Places for People Treasury plc of the directors of Places for People Treasury plc and their private interests and/or duties.

Share Capital and Major Shareholders

As at 31 March 2018, the entire issued share capital of Places for People Treasury plc comprised 50,000 ordinary shares of £1 each, all of which were fully paid up.

The Group Parent holds all of the shares of Places for People Treasury plc directly.

Organisational Structure and Shareholding

Places for People Treasury plc is 100 per cent. owned by the Group Parent.

Material Contracts

As at the date of this Offering Circular, save for the loan agreements referred to below, no contract has been entered into by Places for People Treasury plc which could result in any member of the Group being under an obligation or entitlement that is material to Places for People Treasury plc's ability to meet its obligation to the holders of the Notes.

Places for People Treasury plc has on-lent and will continue to on-lend proceeds from borrowings under revolving credit facilities (net of fees) to the Guarantors under loan agreements between Places for People Treasury plc and each Guarantor in line with such Guarantor's cash flow requirements. The terms of the loan agreements are on an arm's length basis and on normal commercial terms for the sector.

Recent Developments

There have been no recent events particular to Places for People Treasury plc that are, to a material extent, relevant to the evaluation of Places for People Treasury plc's solvency.

PLACES FOR PEOPLE LIVING+ LIMITED

Incorporation

Places for People Living+ Limited (formerly known as Places for People Individual Support Limited) is a registered society incorporated with limited liability under the Co-operative and Community Benefit Societies Act 2014 (with registered number 20014R) on 11 November 1971 and is also registered under the Housing and Regeneration Act 2008 (as amended) with the Regulator of Social Housing (with registered number LH3926).

The registered address of Places for People Living+ Limited is 80 Cheapside, London EC2V 6EE. The telephone number of its registered address is 020 7429 0400.

Places for People Living+ Limited changed its name from Places for People Individual Support Limited to Places for People Living+ Limited on 11 March 2016.

Principal Activities of Places for People Living+ Limited

Places for People Living+ Limited is engaged in the development and management of care and supported housing activities for the Group and undertakes relevant activities to ensure the future delivery of care and support services to tenants.

Places for People Living+ Limited has no subsidiaries.

Housing Stock for Places for People Living+ Limited as at 31 March 2018

Social housing units managed	2,138
Non-social housing units managed	37
Housing owned but managed by another body	4,210
Total housing owned or managed	6,385

Administrative, Management and Supervisory Bodies

The names and positions of the current members of the board and such members' principal activities outside Places for People Living+ Limited, where these are significant with respect to Places for People Living+ Limited, are as follows:

Name	Position	Principal Activities outside Places for People Living+ Limited
Ms L Lackey	Chair	Chair of the Places for People Regulated board Partner, One5Two LLP Ten other Group Directorships
Ms D Marriott-Lavery	Managing Director	None
Mr M Brodtman	Board Member	Non-Executive Director of the Group Parent UK Operating Committee Member and Executive Board Member of CBRE Global Valuation Professional Board Member of the Royal Institute of Chartered Surveyors Four other Group Directorships including Group Board membership
Mr D Cowans	Board Member	Group Chief Executive (PfP) One hundred and six other Group Directorships

Mr G Kitchen	Board Member	including Group Board membership Non-Executive Director of the Group Parent Non-Executive Director of Invesco Perpetual Select Trust plc and The Mercantile Investment Trust plc Five other Group Directorships including Group Board membership
Mr A Winstanley	Board Member	Group Executive Director, Finance Forty six other Group Directorships including Group Board membership

The business address for all members of the board of management is 80 Cheapside, London EC2V 6EE.

The Secretary of Places for People Living+ Limited is Mr C Martin whose business address is at 80 Cheapside, London EC2V 6EE.

There are no potential conflicts of interest between any duties to Places for People Living+ Limited of the members of the board of Places for People Living+ Limited and their private interests and/or duties.

Share Capital and Major Shareholders

As at 31 March 2018, Places for People Living+ Limited had allotted, issued and fully paid 808 ordinary shares of £1 each.

The share capital of Places for People Living+ Limited was held by Places for People Homes Limited and five individual shareholders: Mr C Phillips, Mr A Cleal, Mr G Kitchen, Mr N Hopkins and Mr M Brodtman.

Places for People Living+ Limited's shares carry no right to interest, dividend or bonus. When a shareholder ceases to be a shareholder, his or her share is cancelled and the amount paid up becomes the property of Places for People Living+ Limited. Any shareholder must be proposed for membership by the Group Parent.

Organisational Structure and Shareholding

The Group Parent controls the appointment and removal of shareholders and board members of Places for People Living+ Limited.

Material Contracts

As at the date of this Offering Circular, no contract has been entered into by Places for People Living+ Limited which could result in any member of the Group being under an obligation or entitlement that is material to Places for People Living+ Limited's ability to meet its obligation to the holders of the Notes.

Recent Developments

There have been no recent events particular to Places for People Living+ Limited that are, to a material extent, relevant to the evaluation of Places for People Living+ Limited's solvency.

COTMAN HOUSING ASSOCIATION LIMITED

Incorporation

Cotman Housing Association Limited is a registered society incorporated with limited liability under the Co-operative and Community Benefit Societies Act 2014 (with registered number 19473R) on 10 June 1970 and is also registered under the Housing and Regeneration Act 2008 (as amended) with the Regulator of Social Housing (with registered number L0284).

The registered address of Cotman Housing Association Limited is 80 Cheapside, London EC2V 6EE. The telephone number of its registered address is 020 7429 0400.

Principal Activities of Cotman Housing Association Limited

The principal activity of Cotman Housing Association Limited is the provision of rented housing at affordable rents to those most in need. Cotman Housing Association Limited also provides housing to qualifying people of limited means through the alternative tenures of shared ownership and leasehold for the elderly and an agency management service to other not-for-profit organisations.

Cotman Housing Association Limited has no subsidiaries.

Housing Stock for Cotman Housing Association Limited as at 31 March 2018

Social housing units managed	3,183
Non-social housing units managed	75
Housing owned but managed by another body	171
Total housing owned or managed	3,429

Administrative, Management and Supervisory Bodies

The names and positions of the current members of the board and such members' principal activities outside Cotman Housing Association Limited, where these are significant with respect to Cotman Housing Association Limited, are as follows:

Name	Position	Principal Activities outside Cotman Housing Association Limited
Ms J Warnes	Managing Director and Board Member	None
Mr P Egan	Board Member	Group Executive Director, Affordable Housing Six other Group Directorships including Group Board membership
Mr J Brighton	Chair	None
Mr C Cox	Board Member	None
Mr N Hopkins	Board Member	Non-Executive Director of the Group Parent Finance Director, Abbeyfield Three other Group Directorships including Group Board membership
Mr J O'Bryne	Board Member	None
Ms N Wilson	Board Member	None

The business address for all members of the board is 80 Cheapside, London EC2V 6EE.

The Secretary of Cotman Housing Association Limited is Mr C Martin whose business address is at 80 Cheapside, London EC2V 6EE.

There are no potential conflicts of interest between any duties to Cotman Housing Association Limited of the members of the board of Cotman Housing Association Limited and their private interests and/or duties.

Share Capital and Major Shareholders

As at 31 March 2018, Cotman Housing Association Limited had allotted, issued and fully paid 177 ordinary shares of £1 each.

The share capital of Cotman Housing Association Limited was held by the Group Parent as National shareholder and 20 Community shareholders.

Cotman Housing Association Limited's shares carry no right to interest, dividend or bonus. When a shareholder ceases to be a shareholder, his or her share is cancelled and the amount paid up becomes the property of Cotman Housing Association Limited. Any shareholder must be proposed for membership by the Group Parent.

Organisational Structure and Shareholding

The Group Parent controls the appointment and removal of shareholders and board members of Cotman Housing Association Limited.

Material Contracts

As at the date of this Offering Circular, no contract has been entered into by Cotman Housing Association Limited which could result in any member of the Group being under an obligation or entitlement that is material to Cotman Housing Association Limited's ability to meet its obligation to the holders of the Notes.

Recent Developments

There have been no recent events particular to Cotman Housing Association Limited that are, to a material extent, relevant to the evaluation of Cotman Housing Association Limited's solvency.

DERWENT HOUSING ASSOCIATION LIMITED

Incorporation

Derwent Housing Association Limited is a registered society incorporated with limited liability under the Co-operative and Community Benefit Societies Act 2014 (with registered number 18127R) on 15 August 1967 and is also registered under the Housing and Regeneration Act 2008 (as amended) with the Regulator of Social Housing (with registered number L0715).

The registered address of Derwent Housing Association Limited is 80 Cheapside, London EC2V 6EE. The telephone number of its registered address is 020 7429 0400.

Principal Activities of Derwent Housing Association Limited

The principal activity of Derwent Housing Association Limited is the provision of affordable housing and services.

As at 31 March 2018, Derwent Housing Association Limited had four subsidiaries.

Housing Stock for Derwent Housing Association Limited as at 31 March 2018

Social housing units managed	7,905
Non-social housing units managed	2,014
Housing owned but managed by another body	74
Total housing owned or managed	9,993

Administrative, Management and Supervisory Bodies

The names and positions of the current members of the board and such members' principal activities outside Derwent Housing Association Limited, where these are significant with respect to Derwent Housing Association Limited, are as follows:

Name	Position	Principal Activities outside Derwent Housing Association Limited
Mr P McCormack	Chief Executive and Board Member	None
Ms S England	Chair	Chair of Doncaster and Bassetlaw NHS Foundation Trust Chair of Keep Britain Tidy Director of own mentoring company, Cloud Talking
Mr P Egan	Board Member	Chair, Sheffield Business Improvement District Group Executive Director, Affordable Housing Executive Board Member, Places for People Homes Limited, Cotman Housing Association Limited and Chorus Homes Limited Two other Group Directorships including Group Board membership
Ms M Gildea	Board Member	Non-Executive Director and Senior Independent Director, Derbyshire Healthcare NHS Foundation Trust Director, Organisation Change Solutions

Mr R Hopkin	Board Member	Non-Executive Director, Calderdale and Huddersfield NHS Foundation Trust Director, Capri Finance Limited and Capri Energy Limited
Mr J Lloyd	Board Member	Four other Group Directorships including Group Board membership

The business address for all members of the board is 80 Cheapside, London EC2V 6EE.

The Secretary of Derwent Housing Association Limited is Mr C Martin whose business address is at 80 Cheapside, London EC2V 6EE.

There are no potential conflicts of interest between any duties to Derwent Housing Association Limited of the members of the board of Derwent Housing Association Limited and their private interests and/or duties.

Share Capital and Major Shareholders

As at 31 December 2018, Derwent Housing Association Limited has allotted, issued and fully paid 6 ordinary shares of £1 each.

The share capital of Derwent Housing Association Limited is held by the Group Parent, Places for People Ventures Limited and Places for People Ventures Operations Limited.

Derwent Housing Association Limited's shares carry no right to interest, dividend or bonus. When a shareholder ceases to be a shareholder, his or her share is cancelled and the amount paid up becomes the property of Derwent Housing Association Limited. Any shareholder must be proposed for membership by the Group Parent.

Organisational Structure and Shareholding

The Group Parent controls the appointment and removal of shareholders and board members of Derwent Housing Association Limited.

Material Contracts

As at the date of this Offering Circular, no contract has been entered into by Derwent Housing Association Limited which could result in any member of the Group being under an obligation or entitlement that is material to Derwent Housing Association Limited's ability to meet its obligation to the holders of the Notes.

Recent Developments

There have been no recent events particular to Derwent Housing Association Limited that are, to a material extent, relevant to the evaluation of Derwent Housing Association Limited's solvency.

TAXATION

United Kingdom Taxation

The following is a summary of the Issuers' understanding of current United Kingdom law and published HM Revenue and Customs (HMRC) practice relating only to United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes carry a right to interest and the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The London Stock Exchange is a recognised stock exchange. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000 (FSMA)) and admitted to trading on the London Stock Exchange. Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the Notes which has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the relevant Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The United Kingdom withholding tax treatment of payments by the Guarantors under the terms of a Guarantee which have a United Kingdom source is uncertain. In particular, such payments by the Guarantors may not be eligible for the exemptions described above in relation to payments of interest. Accordingly, if the Guarantors make any such payments, these may be subject to United Kingdom withholding tax at the basic rate.

The Proposed Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has ceased to participate.

The Commission's Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. The relevant Obligor may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the relevant Issuer). However, if additional Notes (as described under "*Terms and Conditions of the Notes – Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated Programme Agreement (such Programme Agreement as modified and/or supplemented and/or restated from time to time, the **Programme Agreement**) dated 16 July 2019, agreed with the Obligors a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Obligors have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression **retail investor** means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

If the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a **Relevant**

Member State), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes, which are the subject of the offering contemplated by this Offering Circular as completed by the final terms in relation thereto, to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer;
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision:

- the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State; and
- the expression **Prospectus Directive** means Directive 2003/71/EC (as amended or superseded), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not, or, in the case of PforPHL, would not, if it was not an authorised person, apply to the relevant Issuer or the relevant Guarantors; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of

the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (**Corporations Act**)) in relation to the Programme or any Notes has been or will be lodged with the Australian Securities and Investments Commission (**ASIC**). Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it:

- (a) has not (directly or indirectly) offered, and will not offer for issue or sale and has not invited, and will not invite, applications for issue, or offers to purchase, the Notes in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any information memorandum, advertisement or other offering material relating to the Notes in Australia,

unless (1) the aggregate consideration payable by each offeree or invitee is at least AUD500,000 (or its equivalent in other currencies, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act, (2) the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act, (3) such action complies with all applicable laws, regulations and directives and (4) such action does not require any document to be lodged with ASIC.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or

- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the **SFO**) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the **C(WUMP)O**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Belgium

Other than in respect of Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Obligors, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Obligors, the Trustee and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme, the giving of a guarantee on a joint and several basis of all amounts due in respect of the Notes issued by Places for People Treasury plc or Places for People Capital Markets plc and the issue of Notes have been duly authorised by resolutions of the Board Members of Places for People Homes Limited dated 10 November 2005, 30 March 2011, 11 January 2012, 24 October 2012, resolutions of committees of the Board Members of Places for People Homes Limited dated 21 March 2007, 5 May 2011, 30 July 2013 and resolutions of the Board of Directors of Places for People Treasury plc (formerly known as Places for People Treasury Limited), acting under delegated authority, dated 22 October 2015, 26 June 2017 and 31 July 2018.

The update of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of Places for People Capital Markets plc dated 5 May 2011, 30 July 2013, 22 October 2015, 26 June 2017, 31 July 2018 and 8 July 2019 and resolutions of a committee of the Board of Directors of Places for People Capital Markets plc dated 5 May 2011.

The accession of Places for People Treasury plc as an Issuer under the Programme, the update of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of Places for People Treasury plc dated 22 October 2015, 26 June 2017, 31 July 2018 and 8 July 2019.

The accession of Places for People Living+ Limited, Cotman Housing Association Limited and Derwent Housing Association Limited as Guarantors under the Programme, the update of the Programme and the giving of a guarantee on a joint and several basis of all amounts due in respect of the Notes has been duly authorised by resolutions of the Board of Directors of Places for People Treasury plc, acting under delegated authority, dated 22 October 2015, 26 June 2017, 31 July 2018 and 8 July 2019.

Listing of Notes

It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market will be admitted separately as and when issued, subject only to the issue of one or more Global Notes initially representing the Notes of such Tranche. Application has been made to the FCA for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market. The listing of the Programme in respect of Notes is expected to be granted on or around 18 July 2019.

Documents Available

For the period of 12 months following the date of this Offering Circular, copies of the following documents will, when published, be available for inspection from the registered offices of each Obligor and from the specified office of the Paying Agent for the time being in London:

- (a) the constitutional documents of each of the Obligors;
- (b) the audited financial statements of Places for People Homes Limited in respect of the financial years ended 31 March 2018 and 31 March 2017 together with the audit reports prepared in connection therewith. Places for People Homes Limited currently prepares audited accounts on an annual basis;
- (c) the audited financial statements of Places for People Capital Markets plc in respect of the financial years ended 31 March 2018 and 31 March 2017 together with the audit reports prepared in connection therewith. Places for People Capital Markets plc currently prepares audited accounts on an annual basis;
- (d) the audited financial statements of Places for People Treasury plc in respect of the financial years ended 31 March 2018 and 31 March 2017 together with the audit reports prepared in connection therewith. Places for People Treasury plc currently prepares audited accounts on an annual basis;

- (e) the audited financial statements of Places for People Living+ Limited in respect of the financial years ended 31 March 2018 and 31 March 2017 together with the audit reports prepared in connection therewith. Places for People Living+ Limited currently prepares audited accounts on an annual basis;
- (f) the audited financial statements of Cotman Housing Association Limited in respect of the financial years ended 31 March 2018 and 31 March 2017 together with the audit reports prepared in connection therewith. Cotman Housing Association Limited currently prepares audited accounts on an annual basis;
- (g) the audited financial statements of Derwent Housing Association Limited in respect of the financial year ended 31 March 2018 and the 15 month period ended 31 March 2017 together with the audit reports prepared in connection therewith. Derwent Housing Association Limited currently prepares audited accounts on an annual basis;
- (h) the most recently published audited annual financial statements of the Obligors and the most recently published unaudited interim financial statements (if any) of the Obligors, in each case together with any audit or review reports prepared in connection therewith;
- (i) the Programme Agreement, the Trust Deed, the Agency Agreement and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (j) a copy of this Offering Circular; and
- (k) any future offering circulars, prospectuses, information memoranda, supplements, Final Terms and any other documents incorporated herein or therein by reference.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to be cleared through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for determining price

The price and amount of each issue of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of such issue in accordance with prevailing market conditions.

Significant or Material Change

There has been no significant change in the financial or trading position of the Obligors (and, where applicable, any of their subsidiaries) since 31 March 2018 and there has been no material adverse change in the prospects of the Obligors since 31 March 2018.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Obligors are aware) in the 12 months preceding the date of this Offering Circular which may have or have in such period had a significant effect on the financial position or profitability of the Obligors.

Auditors

The auditors of each Obligor are KPMG LLP, chartered accountants, who have audited the accounts of each Obligor, without qualification, in accordance with generally accepted auditing standards in the United Kingdom for each of the two financial years ended 31 March 2018 and 31 March 2017.

Post-issuance information

The Obligors do not intend to provide any post-issuance information in relation to any issues of Notes.

Dealers transacting with the Obligors

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Obligors and their respective affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Obligors and their affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Obligors and their affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Obligors routinely hedge their credit exposure to the Obligors consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

ISSUER

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80 Cheapside
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ISSUER AND GUARANTOR

Places for People Homes Limited
80 Cheapside
London EC2V 6EE

ISSUER

Places for People Treasury plc
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GUARANTOR

Places for People Living+ Limited
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GUARANTOR

Cotman Housing Association Limited
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GUARANTOR

Derwent Housing Association Limited
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TRUSTEE

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To the Dealers and the Trustee as to English law

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To Derwent Housing Association Limited

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